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SUPPLEMENT TO WEEKLY BULLETIN
OF THE
DEPARTMENT OF TRADE AND COMMERCE

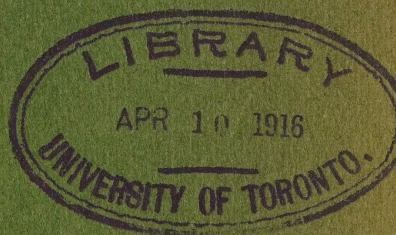
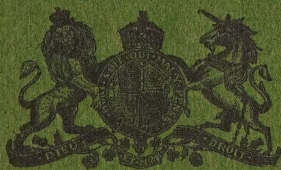
ANNUAL REVIEW OF THE WORK

OF

THE CANADIAN COMMERCIAL
INTELLIGENCE SERVICE

For the Year Ended December 31, 1915

Published by Authority of the Hon. Sir George E. Foster, K.C.M.G., M.P.
Minister of Trade and Commerce



OTTAWA
GOVERNMENT PRINTING BUREAU
1916

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INTRODUCTION.

The second annual supplement to the Weekly Bulletin presented herewith is intended to comprise a general review of the work of the Commercial Intelligence Branch of the Department of Trade and Commerce for the year 1915. While not of a detailed character it is nevertheless thought that such a bulletin is valuable for purposes of reference as giving in condensed form an outline of the year's work, together with a brief reference to its character and scope and to the efforts being made by leading industrial countries on similar lines. Special attention may be directed to the striking figures on page 15 of the matter relating to United States Commercial Intelligence. It is hoped that Canadian manufacturers and exporters may by means of this supplement be able to gain a clearer conception of the aims and activities of this branch of the public service, and that in the future they may be ready to avail themselves of its co-operation in an effort to extend Canadian trade with countries overseas.

TABLE OF CONTENTS

	PAGE
Commercial Intelligence Service	7
Annual Reports:—	
Argentina (Mr. B. S. Webb)	17
Australia (Mr. D. H. Ross)	25
British West Indies (Mr. E. H. S. Flood)	37
Bahamas (Mr. R. H. Curry)	42
Trinidad (Mr. Edgar Tripp)	45
China (Mr. J. W. Ross)	51
France (Mr. Philippe Roy)	58
Great Britain:—	
Birmingham (Mr. J. E. Ray)	64
Bristol (L. M. Vaughan)	73
Glasgow (Mr. J. T. Lithgow)	78
Leeds (Mr. J. Forsyth Smith)	86
London (Mr. Harrison Watson)	89
Manchester (Mr. F. A. C. Bickerdike)	98
Holland (Mr. Ph. Geleerd)	102
Newfoundland (Mr. W. B. Nicholson)	105
New Zealand (Mr. W. A. Beddoe)	110
Norway and Denmark (Mr. C. E. Sontum)	116
South Africa (Mr. W. J. Egan)	116
List of Canadian Trade Officials	134
Enlarged Canadian Trade Intelligence	135
Publications of the Department of Trade and Commerce	136

COMMERCIAL INTELLIGENCE SERVICE.

REPORT OF COMMISSIONER OF COMMERCE.

(*The late Mr. R. Grigg.*)

OTTAWA, December 28, 1915.

Canadians who say that "the twentieth century is Canada's" believe that the great natural resources of their country will have added to them the population necessary for their conversion into wealth and authority, but it does not follow that the steps necessary in order to justify their faith are fully realized. No purely agricultural people can hope to attain a high rank among nations—for diversified industry is essential to national greatness—and no industrial people have found it possible to avoid assiduous cultivation of the field of commerce in regard to outside markets. On the contrary, all the leading nations find it necessary to increase their efforts in this direction as manufacturers develop and provide a profitable outlet for the industry of their people. It is therefore a truism to say that the development of foreign markets is universally recognized as the most important factor in the growth of population and wealth in modern countries.

Canadians are beginning to realize that a stage has been reached in the expansion of their country when a consideration of export markets becomes of increasing importance. An outlet must be found for its exportable products if its national progress is to be assured, or even if the debts are to be liquidated which have been incurred for undertakings necessary for the proper utilization of natural resources. It is essential that this development of foreign commerce should not be confined to natural products but that an expansion should also take place in the production and export of manufactured articles, which involve the employment of trained labour to a high degree. It is with regard to the enlargement of the markets for industrial products that the assistance of a Commercial Intelligence Service is found especially of value.

EXTENT OF THE SERVICE.

The purpose of the Commercial Intelligence Service is to promote the sale of Canadian products abroad and to provide Canadian manufacturers and exporters with information regarding trade conditions and opportunities in countries in which Canadian goods are likely to find a market. This service was established by Order in Council on November 21, 1891, and the first officer was appointed in 1894. At present the officers of the service number twenty-nine, divided into classes or grades, as follows:—

(a) *Trade Commissioners*, of whom there are nineteen (including three Acting Trade Commissioners) stationed in the Argentine Republic, Australia, British West Indies, China, Cuba, France, Japan, Holland, Newfoundland, New Zealand, South Africa and the United Kingdom. It is intended also to shortly establish two or more Trade Commissioners at posts in the Russian Empire. These officers reside abroad at some permanent post and their whole time is directly devoted to the interests of the service.

(b) *Special Trade Commissioners*, who are officers sent abroad for the purpose of commercial investigation in connection with some special branch of Canadian trade. There are at present two Special Trade Commissioners, one of whom is visit-

ing Europe, Africa, Australasia and the Orient in the interests of the Canadian lumber industry, the other stationed in Great Britain with special relation to the fruit trade.

(c) *Commercial Agents*, of whom there are five stationed in the British West Indies (2), Norway (1), and South Africa (2), are persons residing abroad who are allowed a small salary for certain services rendered and who may engage in business on their own account.

(d) *Sub-Trade Commissioners*, are persons destined for the Service who are appointees on probation and who take a course of preliminary training in Canada and abroad. Three young men, graduates of leading Canadian universities, have been appointed to this rank and their time has been occupied in becoming familiar with departmental methods and with conditions of production throughout the various branches of Canadian industry. This policy is in keeping with the practice of the United States Consular Service, where the former system of political appointments has been superseded by an attempt to create a staff of trained and qualified officers.

In accordance with an arrangement made by the Minister of Trade and Commerce with Sir Edward Grey in July, 1912, a large number of British Consuls were also placed at the disposal of Canadians, who may wish to consult them in reference to trade matters. A selected list of twenty-eight British Consulates appear from time to time in the Weekly Bulletin and letters are frequently addressed to these officers from Canada, the replies are sent in duplicate to the Department and original letters are forwarded to the firms who have written the Consulates. These often consist of carefully drawn statements relating to inquiries, indicating the prospects of exporters and giving names of importing firms. The address of Consulates not included in the list referred to can be obtained from the Department. It will be seen that the sources of information provided by the network of trained observers in the British Consulates throughout the world is of great value to Canadian men of business whether for purposes of export or import, and the importance of the facility will increase with the development of Canada.

ANNUAL REVIEW.

By the direction of the Minister, the Trade Commissioners and Commercial Agents are required to render at the end of each year an account of their work for publication in the form of a supplement to the Weekly Bulletin. The first annual supplement embodying these reports covered the year 1914 and appeared in the early part of 1915. For the present supplement the various officers of the service were instructed to submit a review of the work of their officers for the promotion of Canadian trade during the year 1915, together with a summary of conditions of trade prevailing in the district or country in which they are stationed. Replies have been received from Mr. B. S. Webb (Buenos Aires), Mr. D. H. Ross (Melbourne), Mr. E. H. S. Flood (Barbados), Mr. R. H. Curry (Bahamas), Mr. Edgar Tripp (Trinidad), Mr. J. W. Ross (Shanghai), Mr. J. E. Ray (Birmingham), L. M. Vaughan (Bristol), Mr. J. T. Lithgow (Glasgow), Mr. Harrison Watson (London), Mr. F. A. C. Bickerdike (Manchester), Mr. Ph. Geleerd (Rotterdam), Mr. W. B. Nicholson (St. John's, Nfld.), Mr. W. A. Beddoe (Auckland), Mr. C. E. Sontum (Christiania), and Mr. W. J. Egan (Cape Town). Shortly after the outbreak of the war two officers of the service volunteered for the front, viz.: Mr. G. B. Johnson (Yokohama), and Mr. H. R. Pousette (Buenos Aires). During the absence of these gentlemen the offices in question are in charge of temporary officers. On the retirement from the service of Mr. F. Dane (Glasgow), last May, Mr. J. T. Lithgow was transferred from the office at Rotterdam to Glasgow, and his review of the work of the latter post therefore relates to only part of the year. No response was received from Mr. H. R. MacMillan

and Mr. C. F. Just, as these gentlemen have been undertaking special duties and reports of their work have appeared in other publications. The reports that have been received, however, are reproduced herewith and outline the activities of the officers who signed them.

SPECIAL TRADE COMMISSIONERS.

A departure from the established practices has been made by the appointment of Special trade Commissioners to investigate particular lines of trade. The first officer to undertake work of this nature was Mr. H. R. MacMillan, who was appointed on March 20, 1915, as a Special Trade Commissioner to inquire into the requirements and possibilities of the markets for Canadian lumber in the United Kingdom, France, Holland, South Africa, India, Australasia and China. It may be of interest to state in this connection that experience in the United States led to the appointment of two carefully selected officers to carry out similar duties to those discharged by this gentleman and provided a precedent shortly before his appointment. Mr. MacMillan proceeded first to Great Britain, leaving for that country on April 16, 1915, and has already covered the ground fully with regard to the markets for lumber in the United Kingdom, Holland, France, South Africa and India. He is at present in Australia and after completing his investigations in that country will proceed to China.

Valuable reports have been received from this officer which have been reproduced in leading British and American trade journals. The work has been of a two-fold character—educational to both buyers and sellers—tending to allay prejudice and apathy in the first case and to teach sellers something of the somewhat difficult art of export and how to best meet the desires of buyers, whose wishes always rule for they hold the money bag. It is not always possible to demonstrate the direct and immediate results from work of this character, but in this case the special and intimate knowledge of his subject coupled with ability to give adequate expression to the effect of his investigations, has amply satisfied the trade this officer represents. Important orders have been directly secured and the employment of a Special Commissioner which was regarded as experimental has already been justified by results. Testimony to this fact is afforded by the action of practical lumbermen in a Canadian province who brought such effective arguments to bear upon the Government of that province that one of their number has been sent to Great Britain to carry on the work as a Provincial Commissioner.

The export of fruit to the United Kingdom is another branch of Canadian trade to which special consideration has been given by the appointment on September 9, 1915, of Mr. J. Forsyth Smith as a Canadian Trade Commissioner. This officer is stationed at Leeds and his duties will have special regard to furthering the sale of Canadian fruit in the British market. Mr. Forsyth Smith was in the service of the Government of British Columbia in connection with the marketing of fruit and possesses special qualifications for work of this nature. His reports on fruit market conditions are published at regular intervals in the Weekly Bulletin. By an arrangement with the Department of Trade and Commerce, the Fruit Branch of the Department of Agriculture publishes twice each week a report which contains a summary of the prevailing prices in Great Britain as cabled by Mr. Forsyth Smith. These semi-weekly cables also appear in the Weekly Bulletin.

RUSSIAN TRADE INVESTIGATION.

In view of the opportunities for trade with Russia, resulting from the withdrawal of German supplies, it was thought desirable to investigate the openings for Canadian products in that market. Accordingly on the release from Germany of Mr. C. F. Just, former Canadian Trade Commissioner at Hamburg, that officer was instructed to proceed to Russia. Mr. Just arrived in Petrograd on May 1, 1915,

having travelled by way of Norway and Sweden. Some three months and a half were devoted to an inquiry into the prospects for Canadian trade in various sections of the Russian Empire. The trade centres visited comprised the following: Petrograd, Moscow, Odessa, Kieff, Kharkov, Rostov-on-don, Omsk and Vladivostok. Interim reports embodying the results of his investigations were forwarded from time to time by Mr. Just and published in the Weekly Bulletin. These reports together with other matter relating to Russian trade are being gathered together and reprinted as a special supplement to the Weekly Bulletin, copies of which will be distributed to those interested. A provisional list of the principal importing firms in Russia has also been published as a supplement to the revised edition of the Directory of Foreign Importers. From Vladivostok Mr. Just proceeded to Canada by way of Japan, arriving at Victoria on September 16, and as a necessary auxiliary to his investigations in Russia, visited the principal centres of Canadian industry and exchanged information with producers likely to be interested in the Russian market.

The reports of Mr. Just on Russian trade are in the nature of a preliminary review of the position in that market to prepare the ground for the establishment of permanent trade representation. As a part of his duties that officer was commissioned to inquire into the best plan to be adopted with regard to the appointment of Commercial Intelligence officers at leading centres in the Russian Empire. Largely as a result of his observations two Canadian Trade Commissioners to Russia have been appointed. The proposal to engage the services of commercial correspondents at other points in the Russian Empire is also being considered.

SUB-TRADE COMMISSIONERS.

In accordance with the practice of the Consular Services of leading countries, the plan has been adopted of appointing young men of ability and good education with a view of their undergoing training for future service abroad. They hold the rank of Sub-Trade Commissioner. After becoming acquainted with the routine work of the Department they are given the opportunity to study at first hand conditions of production as they exist in Canada. The first to be appointed to this rank were Mr. Norman D. Johnston and Mr. L. D. Wilgress, graduates of the Economic Department of McGill University. After a period of training extending from June 1, 1914, Mr. Wilgress is leaving Canada at the beginning of the year 1916 to take up duties as Canadian Trade Commissioner at Omsk, Western Siberia, Russia. A third Sub-Trade Commissioner was appointed on May 13, 1915, in the person of Mr. Wendell McL. Clarke, a graduate of Toronto University. Announcement will shortly be made with regard to the disposition of these other young men. It is hoped to establish in the service a system of promotion by merit and a standard of efficiency not obtainable under former methods.

The introduction of such young men into the service is not, however, designed to preclude the employment of older men of wide experience and known business ability. A judicious co-operation of both elements will afford material for adaptation to the varying needs and conditions of the wide field to be occupied by the Commercial Intelligence Service of Canada.

The policy of stated periods of revisiting Canada by the Trade Commissioners has been adopted, and though interrupted in part by the war, has been put into practice during the year, and the visits of Mr. Poussette and Mr. Just and their conferences with the business men of all parts of Canada has been productive of good results.

WEEKLY BULLETIN.

An important part of the work of Canadian trade officials consists in the preparation of reports reviewing the possibilities for trade with the countries in which they are stationed. These are carefully edited in the Department and are published in the Weekly Bulletin, together with other matter judiciously selected from foreign and home trade journals. In each number there is published a list of trade inquiries, or opportunities for trade abroad. These are forwarded to the Department by the Trade Commissioners and Commercial Agents and are the means of placing foreign buyers in touch with Canadian sources of supply. During the past year 1,303 trade inquiries were received and published in the Weekly Bulletin, while 4,732 names and addresses of inquirers were furnished to Canadian applicants. Other matter included comprises statistics of Canadian trade, Canadian grain statistics and crop bulletins, monthly lists of steamship sailings from Canadian ports, British agricultural produce trade figures, extracts from British and foreign consular reports, and miscellaneous articles of varied interest. The circulation (free) of the Weekly Bulletin is confined to Canada.

An attempt has been made to improve the quality of the Weekly Bulletin and both its size and circulation have greatly increased in the last two years. Last May a change was made in its make-up and general appearance. The present name was adopted in lieu of the designation of "Weekly Report," by which this publication had previously been known. The general attractiveness of the Weekly was at the same time augmented by the adoption of an outside paper cover, the use of a superior quality of paper and by the reproduction of illustrations indicating the requirements of different countries for certain kinds of goods. It is becoming recognized that such a publication is an excellent medium for the diffusion of commercial information and it is therefore hoped that the efforts being directed towards its perfection will be rewarded by valuable results. Appreciative letters are constantly received, some of them covering valuable suggestions. It is receiving generous and increasing notice from the press and reaches members of parliament, universities, merchants, manufacturers, bankers, the professional classes and even a limited number of school teachers and professors who use it for educational purposes. Owing to the increase in the size of the Weekly Bulletin an index is now provided every six months instead of once each year as formerly.

SUPPLEMENTS.

In addition to the annual review of the Commercial Intelligence Service referred to above, other supplements to the Weekly Bulletin issued during the year were a revised edition of the Directory of Foreign Importers, Export Directory of Canada, Handbook for Export to South America, and Report on the Trade of Canada and the British West Indies.

The Trade Commissioners and Commercial Agents compiled and submitted to the Department, lists of importers in the countries in which they were stationed who were likely to be interested in Canadian products. These lists were embodied in a revised edition of the Directory of Foreign Importers which also included other matter, such as the principal oversea mail and cargo steamship services, particulars with reference to the coinage, weights and measures of foreign countries, and data respecting the customs requirements of foreign countries and British possessions in regard to invoicing. A supplemental list of leading Russian importing firms has been prepared and distributed.

The Handbook for Export to South America was prepared from data supplied by Mr. H. R. Pousette, the Canadian Trade Commissioner at Buenos Aires, with a view to indicating the more important problems and methods of trade which have to be taken into account in connection with the export trade to South America. It was hoped that the information given would be of assistance to Canadians desirous of opening up or extending their trade with the countries concerned.

Mr. Watson Griffin during the course of the year 1914 visited the British West Indies as a Special Trade Commissioner appointed to inquire into conditions and prepare reports with a view to developing trade with these colonies. The result of his investigations is given in a report outlining the possibilities for trade under the Canada-British West Indies Preferential Trade Agreement. This report has been published as a special supplement to the Weekly Bulletin dealing with "Canada and the British West Indies." Copies may be obtained on application to the Department of Trade and Commerce, Ottawa.

The Export Directory of Canada was revised during the past year and an attempt was made to render this publication more useful for the purpose for which it is designed. This directory contains a list of Canadian manufacturers, producers and exporters and is mainly intended for circulation outside of Canada.

Other supplements to the Weekly Bulletin are now in the press and will soon be ready for distribution. The reports of Mr. C. F. Just and other matter dealing with Russian trade are being reprinted in a form more convenient for reference by Canadian business men. Another publication which should prove of value is the work of Mr. Watson Griffin on "Canada, the Country of the Twentieth Century." This book, which is now in the press, gives a description of the Dominion and its relation to the markets of the world, including a review of its agricultural capabilities, forest areas, mineral resources, fisheries, water-powers, industrial position and possibilities of future development. Many illustrations have been provided together with maps of the Dominion and the various provinces. This publication is designed to place before persons living outside of Canada a comprehensive but epitomized review of the natural resources and economic position of the country.

WORK AT HEAD OFFICE.

The great interest in foreign trade is being taken by Canadian producers has been very evident during the past year. The marked increase in 1914 of the correspondence of the Commercial Intelligence Office at Ottawa, under the direction of the Commissioner of Commerce, has been maintained in 1915, as the following approximate figures of letters received and sent from this branch during the past four years will indicate:—

1912 (May 25 to December 31)	4,300
1913	6,100
1914	14,000
1915	14,000

NOTE.—The figures for letters during the year 1913 were influenced to an important degree by the absence of the Commissioner of Commerce on duty in China, Japan and Europe for seven months of that year.

A large number of the letters received embody questions of every conceivable kind. The replies cover a wide range of subjects often demanding careful investigation and inquiry, involving reference to various departments of the Government, to reports and economic literature bearing upon the subject in hand, including the publications of foreign countries, and often resulting in correspondence with persons and firms in all parts of Canada. The services of the Statistical Branch are often sought for the preparation of tabulated statements necessary for the supply of information regarding trade. A standing difficulty in this respect is found in the customs classification which is designed for purposes of revenue and is the foundation of Canadian trade statistics. It is often impossible to interpret these figures as a guide to traders and others, and it is hoped that amendment may follow legislative attention to this highly important subject. Statistics are the book-keeping of the nation and constitute a record of the activities of the people. Accurate and intelligent accountancy has become essential to the conduct of all large business operations and this is especially the case in regard to national affairs.

In addition to a large body of correspondence numerous interviews also occur. Gentlemen call at the office in great numbers for information and conference—rarely a day passes without such visitors—all of whom are welcome and command the services of the staff in an earnest effort to co-operate to their advantage. These interviews are of the most varied character, embracing visits from Canadian producers seeking information with respect to foreign markets, calls from members of parliament, foreign consuls, government officials, members of boards of trade, and others desiring further information on some matter connected with Canadian production and export. Some of the interviews are such as to take up considerable time and often demand careful investigation on the part of the staff of the branch. A great number of requests have been received for information concerning the opportunities resulting from the derangement of trade consequent upon the war. All this goes to show an interest in export trade on the part of Canadian producers and a more definite recognition of the importance of developing foreign markets.

FUNCTIONS OF CONSULAR OFFICERS.

The value to the country of such a service as that outlined above may be better appreciated after reviewing the similar activities of leading countries. The general functions of foreign trade representatives and their usefulness to the trading community of the country which they represent were ably defined by Mr. J. Joyce Broderick, former H.M. Vice-Consul at New York, in an address delivered before the Canadian Club of Ottawa on November 15, 1913. It was pointed out that during recent years commercial nations have more and more encouraged their trade interests to seek active aid from consuls and other commercial agents in protecting and extending foreign commerce, and this watchfulness now forms the chief duty of these officers. Raw materials and foodstuffs compel their own market—purchasers come in search of them—but the producers of manufactured goods must use every available resource at their command. Consuls cannot take the place of individual representatives of private firms, nor can they bring negotiations to a conclusion. A consul has no definite proposal to make or bargain to offer. He cannot create trade, but he can point out the manner in which it might be created. He can give valuable information especially in remote countries respecting local styles and prejudices. He could tell you for instance that a dragon is popular on trade marks in China, a rampant leopard in India, the Star of Bethlehem in Uruguay; that it is useless to try to sell washtubs in Singapore, where they wash their clothes in midstream. He can furnish you with reports on shortage of crops, mechanical difficulties of trade, harbour improvements and the extension abroad of railroad facilities and other means of transportation which open up new districts to commerce, information on investments of trade, the increasing or declining demand for certain kinds of goods, and changes in taste or habits of life as affecting demands for imported articles.

Consuls can and constantly do save their merchants from exasperating exactions and delays by giving them full information regarding local regulations governing representatives of private firms, nor can they bring negotiations to a conclusion. A consul cannot be a specialist in every line. If he were a specialist in any line it is likely that he would prefer to devote himself to it and make much money and riches thereby. What is needed is that the service should be composed of men of versatility and common sense who can readily grasp the essentials of any subject. Their efficiency will be enhanced in proportion as they are bombarded with letters and requests for information, introductions and assistance; for the consular system is a machine which will work with greater efficiency the higher speed at which it is driven.

BRITISH CONSULAR SERVICE.

England was slow to follow the lead of the Italian cities and the Hanse towns in respect to consular representation, probably by reason of the late development of her commerce. No pressing reason for the services of commercial representatives

was felt so long as Great Britain remained the workshop of the world. This position she was able to attain largely through the peace and security afforded by her insular situation. The last half of the nineteenth century however witnessed a rapid increase of industrial production in competing countries and the mercantile classes in Great Britain began to demand greater efficiency on the part of the Commercial Intelligence Service afforded by the British consuls in various parts of the world. In order to effect this object the consuls were required to undertake commercial training and to devote more attention than formerly to this branch of their duties. A new branch of the service known as commercial attaches came into existence a few years ago. These officers underwent a special course of training and were attached to certain embassies representing Great Britain in the capitals of foreign powers. A still later development has consisted of the appointment of officers known as trade commissioners in the self-governing dominions who have the assistance of Imperial correspondents stationed in the principal towns. At the present time the British Consular Service consists of 60 consuls general, 119 salaried consuls, 53 unsalaried consuls, 125 salaried vice-consuls, 483 unsalaried vice-consuls, 43 consular agents, 125 pro-consuls, 49 consular assistants, 41 student interpreters, and 11 commercial attaches.

GERMAN CAMPAIGN FOR COMMERCE.

With the thoroughgoing efficiency which characterizes all her activities, Germany organized an important Commercial Intelligence Service, and there is no doubt that the phenomenal growth of her exports has been greatly assisted by the officers of that service. She won the important position she held in the world's market by the maintenance of an elaborate promotive organization at home and abroad to which all the resources of the Empire have contributed. Mr. J. D. Whelpley writes as follows in his book on "The Trade of the World" (published in 1913):—

"What can be accomplished through the co-operation of government and private forces, where a state of mutual trust and confidence exists, is exemplified in the more rapid and profitable growth of the foreign trade of Germany—a foreign trade which in the past three or four years has equalled, and now exceeds, that of the United States. This is all the more notable in that Germany has only about two-thirds the population of the United States, is poor in natural resources, buys the bulk of her raw material, refuses subsidies to her ships and her producers, and depends almost entirely upon the co-operation of her diplomatic service at home and abroad with the material interests of the country, and preferential treatment of German products wherever such preference can be given in use, transportation, or diplomatic exploitation. Preferential rates to the seaboard for goods destined for export * * * is one of the great factors in the ability of German goods to compete in foreign markets. The day will come in America when it will be realized that a nation can well afford to cheapen for export by every means in its power, and that such cheapness does not necessarily mean discrimination against the home consumer.

"The commercial section is to-day the most important division of the German Foreign Office * * * * * To this division come reports from all over the world made by ambassadors, ministers, consuls, and commercial agents. Here also are considered the many recommendations from chambers of commerce, requesting this or that action, or making protest against this or that alleged discrimination against German trade in foreign lands, or perhaps even tendering much valued advice to the Foreign Office in matters of diplomacy. In return, the Foreign Office sends to every chamber of commerce such information of value that it may receive, or to every manufacturer that which may help or warn. The general and expert knowledge shown by the workers in this institution has received high tribute from all those who have met them in conferences.

"The part that science has played in the expansion of German trade is well known. Technical schools and industrial concerns work in co-operation. A volume could be written dealing with the close co-ordination of science and industry, and the great part it has played in bringing into productiveness originally unpromising land and material.

"Railroads and canals are operated to favour German travel and German goods. Transportation rates are adjusted to enable German produce to meet foreign competition. To travel or consign by other than German routes is not facilitated, as many a traveller and shipper can testify.

"According to English critics, the greater weakness in the German structure is the participation of German banks in industrial enterprises, the theory being that the money market is thereby rendered subject to industrial activity or depression. * * * * * The German people can afford to let foreign critics quarrel among themselves as to the wisdom of the German system of internal finance as they contemplate their self-made nation, with all its parts interdependent for well-being. Such a nation becomes as a unit in the great war for the trade of the world, presenting a solid front to the attack, and resting upon a loyal base."

It is difficult to estimate the part played by the commercial intelligence officers of Germany in the growth of exports from that country, and there is no doubt that the German Government attached great importance to the organization of an efficient service abroad. The commercial agents of Germany were supposed to be everywhere. A United States consul, who utilized a period of absence from his post for a journey into the most remote and unknown districts of China, found that he had been preceded by German trade investigators. A feature of commercial intelligence work inaugurated by the German Government has been the distribution of confidential communications from consular officers relative to trade opportunities, to chambers of commerce in Germany, by whom they are utilized for the benefit of manufacturers and exporters. In brief it may be said that Germany has utilized every useful source of trade information open to her in any part of the world.

UNITED STATES COMMERCIAL INTELLIGENCE. ♪

The United States has for many years realized the importance of the subject and has been steadily building up a commercial intelligence service in anticipation of the time when natural products would cease to provide the major portion of her exports. Both because of the increased consumption of her vast population and of the increased products of the industrial section of it, the value of the exports of manufactured goods overtook and passed the value of food product exports in the year 1904, when the export of manufactures for further use and for consumption amounted to \$523,319,979, and this large total had further increased by 1915 to \$1,166,093,728, or slightly over 100 per cent in the decade.

Distinguished Americans have alleged that in past years the vicious principle of consular appointments for political service regardless of special fitness was permitted in the United States, but there is evidence that a change has occurred in this respect. Provision has been made for the determination of the qualifications of applicants for consular positions by means of examiners, and for the filling of vacancies in the lowest grades from the list of eligibles, and in the higher grades by promotion from officers in the lower grades. The political affiliations of the candidate are not to be considered either in the designation for examination or certification or appointment.

The United States Consular Service at present consists of the following:—

- 56 Consuls General.
- 233 Consuls (assigned to posts).
- 15 Consuls (temporarily assigned to posts).
- 38 Consular Assistants.
- 25 Interpreters.
- 17 Student interpreters.
- 300 Consular Agents (approximately).

For every principal office there is also supposed to be some one who has been authorized as vice-consul, but these are not classified officials and therefore no figures can be given.

Consuls-general at large are appointed from members of the consular force possessing the requisite qualifications of experience and ability, and are charged with the duty of inspecting consulates and reporting thereon.

Following the example of Great Britain, the United States have recently appointed ten gentlemen as commercial attaches. All of these are carefully selected by examination and in nearly every case are university graduates speaking French, German, Italian, Spanish and even Chinese, and in all cases commanding more than one language. This was rendered possible by an appropriation of \$100,000 resulting from representations made by the Chamber of Commerce of the United States and the former Chief of the Bureau of Foreign and Domestic Commerce has been selected as commercial attache in London. The duties of the attache shall be "to investigate and report upon such conditions in the manufacturing industries and trade of foreign countries as may be of interest to the United States." The examination for these appointments was both written and oral and exhaustive tests were applied with regard to personal fitness on the ground of economic information, familiarity with trade details and the literary equipment which will enable the attache to give expression to the result of his work in a form that will command respect and attention. The field of their labours is so open to the competition of all nations, so broad and difficult to work, that those who would hold the foremost position must have the best information and the best men. Commercial work is likely to become increasingly important and increasingly difficult if agents are to act as the eyes and ears of commerce. It will be necessary for commercial experts to gauge the consuming power and exporting capacities of the countries in which they are stationed in relation to foreign trade and for such men a knowledge of the language of the country is an asset of increasing value. The need of to-day is for commercial and financial experts of a high order, and this fact has been held in view in making the appointments above referred to.

The duties which consular agents are called upon to perform are so numerous, of so varied a character and so important, that they demand a high order of intelligence and ability and a wide range of knowledge. But by far the most important of these duties at the present time is the promotion of foreign trade. This branch of the work has been so greatly developed that the United States Consular Service to-day constitutes a vast reporting system with a central bureau of information at Washington.

CONCLUSION.

Space has been given to the foregoing description of the methods pursued by other countries in order to direct attention towards the necessity of our keeping pace in extending and perfecting our Commercial Intelligence system. It is true that Canada is at present largely an importing country, but she has also exports of great and growing importance in addition to those created by her natural products, and there is every reason to hope that following the example of these other countries she will develop her vast industrial resources to the end that she may build up her national life on lines of diversified industry, and thereby command the wealth and authority which can only exist upon the basis of a large and well-instructed population.

ARGENTINA.

REPORT OF ACTING TRADE COMMISSIONER.

(Mr. Bertram S. Webb.)

BUENOS AIRES, December 31, 1915.

TERRITORY.

The territory covered by the appointment comprises the whole of continental South America. The capitals of the various Republics, with but one exception, are situated at long distances from each other and postal communications are poor, so poor indeed that a letter from Bagota may take six weeks to reach Buenos Aires.

The language of the Republics, with one exception is the same, i.e., Spanish, and in general, the commercial usages proper to one Republic are common to all, so that a large portion of the experience acquired in Argentina is applicable to the rest of the continent.

There is also a certain sameness to be observed in the foreign trade of the various countries. They all export staple products and import manufactured goods. The import trade of the West Coast, however, differs slightly from that of the East Coast, on account of the geographical considerations, and it would not be possible for this office to take an intelligent interest in affairs on the other side of the Andes, were it not for the uniform courtesy and consideration shown by H.B.M. Consular officers at various points, who on request willingly supply whatever information they are able to afford. The extensive trip to the West Coast Republics made by the commissioner in 1914, resulted in the collection of large quantities of data, which having now been compiled and indexed, also helps to minimize the geographical disability.

One-fifth of the population of Argentina resides in the Federal capital of Buenos Aires and three-quarters of the total trade is done through this port.

A short trip to Paraguay was made in August, but the trade of this Republic was found to be unimportant and likely to be of but slight interest to Canadian exporters.

Montevideo, the capital of Uruguay, is situated some 100 miles down the river from Buenos Aires. Its commerce while more important than that of Paraguay cannot compare with that of Buenos Aires. This city has not yet been visited.

THE TRADE COMMISSIONER'S OFFICE.

The Buenos Aires branch of the Commercial Intelligence Service is the only office maintained by the Department in South America proper. The office is situated in the most modern building available, in the heart of the banking and commercial district. The furniture is all of Canadian manufacture and includes modern filing and indexing appliances. In general the appearance of the offices compare favourably with those of other Governments and reflects creditably on the Department. Official hours of from 9.30 to 4 p.m. are maintained for the convenience of the public, but of course, the Trade Commissioner's activities are by no means limited by the official hours.

A good supply of reference works and statistical publications is kept on hand, a convenience much appreciated by callers.

The services of a competent interpreter and translator have been available to visitors at all times.

REPORTS FROM ARGENTINA PUBLISHED IN 1915.

The various subjects dealt with in the monthly reports despatched from this office, are enumerated below:—

No. of Bulletin.	Buenos Aires Date.	Subject.
573	December 5..	Financial crisis. Meat. Maize. Wool. Hides. Horses and mules. Sugar. Foreign trade. Failures. Railway materials. Outlook for immediate future. Rolling stock. Steel rails. Imports for 1913-1914. Prospects for Canadian carbide. Agricultural implements and machinery. Tractors. Future business.
574	December 24..	Opportunities for Canadian cement. Regulations. Packing. Local cement. Forwarding of quotations. Conditions for supply of Portland cement. Certificates of origin and composition. Samples for testing purposes. Acceptation or rejection of cement. Specific gravity of cement. Fineness of cement. Asbestos tiles and sheets. Imports of asbestos. Roofing material. Wheel-barrows. Railway business. Imports of wheel-barrows. London offices of principal railways.
580	December 24..	Market for boots and shoes. Possibilities for Canadian makes. Preliminary operations required. Styles most in demand. Methods of representation. Argentine boot and shoe industry. English and American boots. Prices. Terms. The question of costs. Imports into Argentina of leather boots and shoes, in general. Imports into Argentina of boots and shoes (other classes). Caustic soda. Drugs and pharmaceutical substances. Prepared paints. Foodstuffs. Codfish. Preserved fish. Condensed milk. Miscellaneous. Foreign trade of Brazil. Commerce of Brazil. Imports into Brazil, by countries. Imports into Brazil by principal articles. Imports into Brazil, 1913 and 1914. Importations into Brazil, 1913 and 1914. Customs preference of the United States. Currency. Weights. Language.

REPORTS FROM ARGENTINA PUBLISHED IN 1915.—*Continued.*

No. of Bulletin.	Buenos Aires Date.	Subject.
582	February 9.	Market for electrical material. Business in the future. Trade statistics. Electrical dynamos and motors. Electrical pumps. Cables and wire. Dry cells. Electrical light accessories. Torches and hand lamps. Electric heating appliances. Incandescent lamps. Electrical fixtures. Telephones. Electric irons. Canadian competition. Trade in carriages. Size of wheels. Argentine imports of electrical materials.
585	March 4.	Trade in pianos and organs. Styles of pianos. Prices. Piano accessories. Terms. Packing. Market for organs. Imports of pianos into Argentina. Corsets. Cheese imports. Ham. Packing of hams and use of chemicals. Documents for shipments of hams. Imports of hams. Trade statistics for the year 1914. Apportionment of gains and losses. Imports into Argentina, by countries, 1913 and 1914. Motor and Import. Automobiles. Motor trucks. Carriages. Railway material. Fencing wire. Roofing material. Metal ceilings. Iron tubing. Constructional steel. Nails and screws. Wire, iron and steel. Locks, small hardware, etc. Pianos, pianolas and automatic pianos Window glass, bottles, etc. Electrical machinery, motors, etc. Agricultural implements and machinery. Furniture. Printing paper and wood pulp. Wall paper. Boots and shoes. Calcium carbide.
588	March 16.	Altered crop prospects. Exports of Argentina products. Market for caustic soda. Imports of caustic soda. Trade in wood alcohol. A specimen contract. Pharmaceutical products and prepared drugs. Commencing business. Approval of products. Registration of trade marks. Advertising. New York office. Local offices. Flavour and doses. Prospects for future trade. Imports. Prospects for future trade. Imports of chemicals into Argentina.

REPORTS FROM ARGENTINA PUBLISHED IN 1915.—*Continued.*

No. of Bulletin.	Buenos Aires Date.	Subject.
589	March 30.. . . .	<p>Commerce of Peru. Copper mining. Cotton. Sugar. Guano. Rubber. Petroleum. Imports into Peru. Boots and shoes. Furniture. Metals and manufactures of metals. Railway material. Wire. Stamped metal ceilings and expanded metal. Tools, lathes, etc. Spades and shovels. Wheel-barrows. Stoves. Explosives. Calcium carbide. Brooms, handles, wooden goods. Printing paper. Lumber. Coal and coke. Miscellaneous imports. Musical instruments. Medicines and pharmaceutical substances. Wheat and flour. Salmon. Other foodstuffs. Condensed milk. Hams. Preserved fruit. The Peruvian market. Value of the more important exports for 1913. Growth of Peruvian principal exports during the last decade. Foreign trade of Peru for 1913, by countries. Imports into Peru, by classes. Imports into Peru, by principal articles and countries. Imports into Peru, by principal articles, 1912 and 1913.</p>
583	April 14.. . . .	<p>Trade of Brazil. Resources. Internal dissensions. Principal products. Prices. Diversity of production. Cattle industry. Hierba matte or mate tea. The fruit industry. Issue of inconvertible money. Brazilian trade. Tariff.</p>
598	May 7.. . . .	<p>Prospects for future trade. Lumber. British Columbia and Pacific Coast. Doors and windows. Flooring. Office furniture. Desks, etc. Bent-wood chairs. Metal goods. Pressed steel tanks. Silverware. Agricultural machinery. Woven wire fencing. Dairy machinery. Milk tins. Veneers. Delivery vans. Aluminium cables. Spades, shovels, etc. Tools. Bolts, nuts, screws, etc.</p>

REPORTS FROM ARGENTINA PUBLISHED IN 1915.—*Concluded.*

No. of Bulletin.	Buenos Aires Date.	Subject.
598	May 7..	Valves. Split wood pulleys. Paints and varnishes. Carriage building material. Hames and saddle bows. Sewing threads. Leather bags and trunks. Paper. Trade marks. Stores used by principal Argentine railways.
602	June 20..	The returns for the first quarter of the year. Balance of trade. Commercial failures. Causes of decreased importation. Reduced consumption. Decrease of imports. Effects of the European War. Opportunities for Canadian manufacturers Exports of principal products. Opening for steel rolling machinery.
607	July 31..	Commercial conditions. The French Mission. Investigating a foreign market. Preliminary steps. Importation of fish into Argentina. Imports of smoked herrings, in boxes. Dried codfish. Imports of boneless codfish. Imports of codfish in boxes. Canned salmon. Principal imports of canned salmon. Market for Canadian packers.
611	August 30..	Paraguay. Finance. Statistical data. Transport. Production. Commercial Paraguay. Total exports. Exports of principal articles. Principal imports. Articles of import and countries of origin.
612	August 30..	Financial conditions. Banking institutions. Trade pointers. Uruguay. Montevideo. Characteristics of Uruguay. Importation. Modern machinery required. Terms of payment. Regulations to be observed. Demand for road making machinery. Steel, glass and electrical machinery.
614	September 24..	Selling through a local representative. Conditions of sale. Samples. Quotations. Discounts. Packing. Stock in hand. Trade marks and patents. Commercial reports. Commissions. Representative's territory. Agency contracts. Allowances to agents.
618	September 15..	Manufacture of wood-pulp in Argentina. Araucaria pine. Imports of pulp into Argentina. Manufacture of mechanical pulp. Cellulose paste. Spinning and weaving of the paper. The Argentine paper industry.

SUPPLEMENT TO WEEKLY BULLETIN.

Information was compiled and submitted to the Department of Trade and Commerce, where it was published as a supplement to the *Weekly Bulletin* entitled "Handbook for export to South America." This supplement gives a survey of the present trade conditions and deals with such subjects as the question of representation, credits and financing exports, details as to shipments, the submitting of quotations, facilities for trade, the United States activities and trade tables. It is suggested that any Canadian firms anticipating the opening up of a trade with South America should make application for same (free) at the Department of Trade and Commerce, Ottawa.

COMMERCIAL INTERVIEWS.

Ninety-two calls have been made upon local houses in the interests of Canadian firms. In many cases intending exporters have been saved the trouble and losses which would have resulted from dealing with unknown importers. There are certain undesirable elements associated with commerce in all parts of the world, and an exporter must always exercise considerable care in opening new accounts. Experienced exporters can usually be relied upon to look after their own interests efficiently, but they have at their disposal means and connections not available to the beginner. On the other hand, those about to open up an export trade and whose experience of foreign fields is limited, can at all times count upon the good offices of a confidential correspondent at this port; who while not at liberty to do actual agency work for them, will at least take a sympathetic interest in their consignments, and look after their interests should the necessity arise.

One hundred and twenty-four callers have been received at the offices.

EMIGRATION LITERATURE.

Quite a number of letters and calls are received each year from persons desirous of emigrating to Canada. While such inquiries are invariably referred to the proper authorities for more ample information a supply of emigration literature is also kept at the office and preliminary information and advice is tendered. The number of intending emigrants of a certain standing, has this year been somewhat in excess of previous years.

VISITORS FROM CANADA.

Past experience has shown that in cases where a representative of the manufacturer has visited the Republic, good business has almost invariably resulted. Advice and assistance has been given to manufacturers wishing to send a representative here, and all possible assistance has been rendered to such as have called at the office. The representatives of ten Canadian firms, exporting respectively, fruit, boot polish, agricultural machinery, preserved fruit, soft goods, plows, steel work, corsets, sheet metal goods, carriages, stoves and similar lines, have visited Buenos Aires during the year, and in each case actual business has been put through. The resources of the office are always available for factory representatives wishing to take advantage of them.

VISITORS TO CANADA.

Of the large number of local merchants who periodically visit Europe and North America, but a very small proportion include Canada in their itinerary. If the capabilities of Canada as a manufacturing country were better known, there is no doubt that more foreign buyers would be induced to visit it. Letters of introduction, commercial addresses and general information have been furnished to the heads of three important business firms who announced their intention of going north, and many have been induced to extend their plans so as to include some part of industrial Canada in their journey.

DISTRESSED CANADIANS.

Due to the economic disturbances caused by the war, quite a number of distressed Canadians have had occasion to call on the Trade Commissioner. Everything possible has been done to help these unfortunate people. Work was found on a local railway for some six or seven of them, others were recommended for Salvation Army assistance, some were helped to enlist and embark for England, and two were repatriated.

A certain amount of identification certificates have had to be signed for Canadians desirous of securing passports to enable them to embark for Canada. In the absence of documentary proof of nationality, the statements made by the applicant for a passport or permission to embark must be verified by a local man of a certain standing personally known to H.B.M. Consul-General, before the passport can be issued, and it has been necessary to help several Canadian citizens in this way.

CORRESPONDENCE.

Nine hundred and ninety-two official letters have been received and one thousand and sixty-seven despatched. In addition to the usual requests for commercial information, a number of inquiries are received each year from Canadians desirous of settling in Argentina, or to open up business here; a copy of the British Board of Trade's "Warning to Intending Emigrants" is usually supplied in these cases, together with information bearing directly on the particular case. A few cases of missing relatives are also dealt with.

CANADIAN TRADE PUBLICATIONS.

Twenty copies of the Canadian Trade Index were received and have been distributed among chambers of commerce, Government officials and importing merchants. Thirty copies of the Export Directory of Canada, issued by the Department of Trade and Commerce, have been placed in the hands of local merchants. Catalogues received from manufacturers have also been widely distributed.

DIRECTORY OF IMPORTERS.

The Card Index Directory of local importers is being revised and kept up-to-date, in keeping with the changes brought about by altered European conditions.

TRADE INQUIRIES.

Sixty trade inquiries have been sent for publication in the *Weekly Bulletin*, and the names and addresses of the local firms have been furnished to sixty-eight Canadian manufacturers.

BRITISH COLUMBIA LUMBER.

Correspondence has been maintained with the authorities of the British Columbia Forest Branch, and an exhaustive and interesting exhibition of samples has been received. The large quantities of accompanying literature have been judiciously distributed and all the large importers have been visited; but as stated elsewhere, building operations are almost at a standstill, and with the exception of pitch-pine practically no construction timber will likely be imported for some time to come.

PUBLICITY.

In former years but few efforts have been made towards securing a wider publicity for Canada and things Canadian, but during the last year something more has been done along these lines. It has been by no means an uncommon

experience to find Argentine commercial men and even Government officials under the impression that Canada is the name of one of the states of the Union. It is to the best interests of Canadian manufacturers that they be known abroad as a distinctive industrial community, so that as time goes on any reputation they may acquire for workmanship and conscientiousness in trade may accumulate and finally redound to their benefit. So far as South America is concerned, no benefit is likely to accrue to Canadian manufacturers from their association in buyers' minds with those of other countries.

Advantage has been taken, therefore, of the arrival of consignments of Canadian products for the insertion of notices in the local press. The Dominion's participation in the defence of the Empire is also a subject of much interest to the local British community.

Articles dealing with Canadian lumbering, fish canning, fruit packing, munition making, etc., are now being supplied to the local papers, and so far as can be judged at present, with good results.

DEFINITE RESULTS.

Before a large trade with Argentina in manufactured goods can be established, it is generally recognized that better shipping and banking facilities will be required. While it is true that trade follows lines of communication, the reverse of this is equally true. Recognizing this, every effort has been made to promote business in staple products, such as lumber, fruit, paper and pulp, which on account of the greater value and size of the shipments and the more expert knowledge of export business usually possessed by the men on both sides who handle them, are more easily handled and marketed than smaller consignments of manufactured goods and proprietary articles.

Due to the almost complete stoppage of building operations in Argentina, no business of importance has been done in lumber. In fruit and paper, however, 1915 has seen the inauguration on a fairly extensive scale of what promises to be a good business, and it is hoped that the fomentation of an export trade in these staple lines will prepare the way for the more direct communications, which will in turn become available for the convenience of the smaller manufacturer and shipper.

AUSTRALIA.

REPORT OF TRADE COMMISSIONER.

(Mr. D. H. Ross.)

MELBOURNE, December 22, 1915.



THE COMMONWEALTH OF AUSTRALIA.

The magnitude of the island continent of Australia—with the addition of the island state of Tasmania—can be more readily comprehended when it is realized that the area of the Commonwealth is greater than the United States of America, that it is four-fifths of that of Canada, and that it is more than one-fourth of the area of the whole British Empire. In extent of territory, it ranks second to Canada in the oversea dependencies of the British Empire.

Excluding Papua (Australian territory in New Guinea), with an area of 90,540 square miles, and the recently captured territories of Kaiser Wilhelm Land (New Guinea), and the islands of the adjoining Bismarck Archipelago with, conjointly, a further area of some 90,000 square miles, the relative magnitude of the Commonwealth in comparison with some other countries may be appreciated by reference to the following schedule:—

	Square miles.
Canada	3,729,665
Brazil	3,364,564
Australia	2,974,581
United States (proper)	2,973,890
Argentine Republic	1,153,119
British India	1,093,074
South African Union	473,100
New Zealand	104,751

POPULATION OF THE STATES AND STATE CAPITALS.

The estimated population of each Australian state (at June 30, 1915) and of the metropolitan area of each state capital (at December 31, 1914) is appended:—

States.	Population.	Capital Cities.	Population.
New South Wales.. . . .	1,868,660	Sydney.. . . .	752,500
Victoria.. . . .	1,426,415	Melbourne.. . . .	674,000
Queensland.. . . .	689,678	Brisbane.. . . .	154,011
South Australia.. . . .	438,195	Adelaide.. . . .	205,443
Western Australia.. . . .	322,528	Perth.. . . .	122,400
Tasmania.. . . .	198,417	Hobart.. . . .	40,000
Northern Territory.. . . .	4,448	Darwin.. . . .	1,000
Federal Territory.. . . .	2,738	Canberra.. . . .	2,000
Total Commonwealth.. . . .	4,951,077	Total Capitals.. . . .	1,951,354

ANNUAL REVIEW OF AUSTRALIAN TRADE.

The last published trade returns of the Commonwealth are those for the calendar year of 1913, which were reviewed and analyzed in Weekly Bulletin No. 566, published at Ottawa on November 30, 1914. On account of changing the date and period of issue from the calendar year to the fiscal year—i.e., from December 31 to June 30—the trade returns for the first six months of 1914 and for the fiscal year of 1914-15 have not yet been published, nor is there any prospect of the detailed figures being made available for some months to come. No comparison can, therefore, be submitted to illustrate the trend of Canadian trade with Australia, in relation to the Australian trade with other countries, until the trade returns are published. The Commonwealth statistician, however, has supplied the figures relating to the total Australian trade, together with the values of the imports from and exports to Canada since January 1, 1914, to June 30, 1915 (a period of eighteen months), as follows:—

Australian Trade.

Six months ending June 30, 1914.			
Total imports into Australia.. . . .	£39,777,497	=	\$193,318,635
Total exports from Australia.. . . .	37,930,087	=	184,340,222
Total trade.. . . .	£77,707,584	=	\$377,658,858
Six months ending June 30, 1914.			
Total imports from Canada.. . . .	£ 502,608	=	\$ 2,442,674
Total exports to Canada.. . . .	71,478	=	347,383
Total Canadian trade	£ 574,086	=	\$ 2,790,057
Fiscal year to June 30, 1915.			
Total imports into Australia.. . . .	£64,380,747	=	\$312,890,430
Total exports from Australia.. . . .	60,600,302	=	294,517,467
Total trade.. . . .	£124,981,049	=	\$607,407,898
Fiscal year to June 30, 1915.			
Total imports from Canada.. . . .	£ 1,235,452	=	\$ 6,004,296
Total exports to Canada.. . . .	388,562	=	1,888,411
Total Canadian trade	£ 1,624,014	=	\$ 7,892,708

COMPARISON WITH TRADE IN PREVIOUS YEARS.

To illustrate the trade of the Commonwealth for 1914-15 with some previous years the following return is submitted:—

Australian Trade.	Imports. £	Exports. £	Total Trade. £
1910.. . . .	60,014,351	74,491,150	134,505,501
1911.. . . .	66,967,488	79,482,258	146,449,746
1912.. . . .	78,158,600	79,096,090	157,254,690
1913.. . . .	79,749,653	78,523,769	158,273,422
1914-15.. . . .	64,380,747	60,600,302	124,981,049

The figures in relation to Australian imports of goods of Canadian origin, and the Australian exports to Canada, are shown thus:—

Canadian Trade.	Imports. £	Exports. £	Total Trade. £
1910.. . . .	802,045	100,398	902,443
1911.. . . .	844,235	118,284	962,519
1912.. . . .	977,075	161,595	1,138,670
1913.. . . .	964,826	169,193	1,134,019
1914-15.. . . .	1,235,452	388,562	1,624,014

RELATIVE TRADING IMPORTANCE OF EACH STATE.

The relative importance of each Australian state, from a trading point of view, is illustrated in the appended schedule, showing the value of the imports and exports for the fiscal year ended on June 30, 1915:—

	1914-15. Imports. £	1914-15. Exports. £
New South Wales.. . . .	27,323,243	28,107,025
Victoria.. . . .	20,997,294	12,357,334
Queensland.. . . .	6,428,688	13,015,484
South Australia.. . . .	4,750,361	3,566,335
Western Australia.. . . .	3,986,198	3,120,798
Tasmania.. . . .	811,255	420,007
Northern Territory.. . . .	83,708	13,319
	<hr/> £64,380,747	<hr/> £60,600,302
	Summary of Imports.	Summary of Exports.
Merchandise.. . . .	63,512,691	57,692,636
Specie and bullion.. . . .	868,056	2,907,666
	<hr/> £64,380,747	<hr/> £60,600,302

VALUE OF PRINCIPAL IMPORTED ARTICLES.

In normal years, Australia is a large exporter of cereals, flour, etc., but owing to adverse climatic conditions in the season of 1914-15, the position was reversed and large quantities of wheat, oats, maize, bran, pollard, sharps, hay and chaff had to be imported for the necessary food for man and beast. The present season has been most favourable and record crops are now being harvested, hence the exporting of cereals is being resumed.

The decrease in imports of ale and beer is mainly due to German lager being off the market.

In Weekly Bulletin No. 601, issued on August 2, 1915, there appeared a report upon the Australian dry goods trade in which the difficulty of obtaining supplies, owing to the altered trading conditions, was emphasized as causing an exceptional opportunity for some special lines of Canadian manufacture to be successfully marketed. Some Australian wholesale buyers have recently been in Canada for the purpose of purchasing urgent requirements and to make negotiations for future shipments. The decrease of over two and one-half millions sterling in the value of the imports of dry goods and apparel in 1914-15 indicates the extent of the market awaiting the enterprise of oversea manufacturers to exploit. The position disclosed in the annexed schedule in regard to iron and steel goods has, since July 1, 1915, been greatly accentuated by the advance in prices, oversea freights and the bank exchange situation. To-day, the lack of shipping facilities for the transportation from oversea of all kinds of industrial metals is constituting a most serious menace to many Australian manufacturers. Some important constructional work has been, practically, brought to a standstill through supplies of copper and brass being unobtainable within the Commonwealth, nor can orders be executed, except to a limited extent, in the United Kingdom, where these materials enter so largely into the manufacture of munitions.

TABLE OF IMPORTS.

The following excerpts have been taken from information compiled by the Department of Trade and Customs (subject to revision) relative to the comparative values—showing increases and decreases—of some of the principal articles imported into Australia during the last two fiscal years:—

	Year 1913-14	Year 1914-15	+ —	Increase Decrease
Ale and beer	£ 564,395	£ 400,065	—	£ 164,330
Apparel, dry goods, etc.	16,708,074	14,144,749	—	2,563,325
Boots and shoes	628,326	624,912	—	3,414
Portland cement	185,990	169,562	—	16,428
Cheese	17,877	10,224	—	7,653
Cordage and twines	720,367	671,919	—	48,448
Drugs and chemicals	1,287,550	1,272,886	—	14,664
Earthenware and china	461,659	348,193	—	113,466
Fish of all kinds	755,274	802,708	+	47,434
Fruits, fresh, apples	68,248	66,256	—	1,992
Fruits, other fresh	353,531	278,198	—	75,333
Furniture	261,056	153,012	—	108,044
Glass and glassware	634,182	470,340	—	163,842
Barley	25	66,402	+	66,377
Maize	129,996	284,577	+	154,581
Oats	7,716	342,106	+	334,390
Wheat	4	537,605	+	537,601
Other grain and beans and peas	23,493	45,347	+	21,854
Bran, pollard and sharps	3	160,444	+	160,441
Flour (wheaten)	391	1,215	+	824
Oatmeal, etc	8,724	9,158	+	434
Rice	224,642	236,061	+	11,419
Other prepared grain	41,007	49,633	+	8,626
Hay and chaff	230	65,527	+	65,297
Hops	60,331	54,189	—	6,142
Hats and caps	576,370	434,091	—	142,279
Implements and machinery—agricultural, horti- cultural and viticultural	673,389	599,261	—	74,128
Rubber goods	993,217	712,889	—	280,328
Iron and steel—bars, blooms, etc.	2,058,337	1,355,512	—	702,825
Iron and steel—galvanized plate and sheet	2,080,836	1,441,969	—	638,867
Iron and steel—pig and scrap	374,354	220,091	—	154,263
Jams and jellies	13,796	11,834	—	1,962
Jute goods (bags, sacks, etc.)	2,440,478	1,943,104	—	497,374
Lead-pig, and lead matte	1,519	1,269	—	250
Leather	406,781	378,293	—	28,488
Machines and machinery (except agricultural)	5,017,185	4,104,509	—	912,676
Matches and vestas	171,968	149,830	—	22,138
Metal manufactures (dutiable)	2,375,026	2,357,147	—	17,879
Metal manufactures (free)	2,523,186	1,560,381	—	962,805
Milk, condensed and preserved	46,232	54,099	+	7,867
Onions	12,821	15,460	+	2,639
Paints, colours and varnishes	680,874	617,826	—	63,048
Paper, printing	952,107	886,465	—	65,642
Paper, all other	812,263	688,606	—	123,657
Pickles and sauces	143,010	122,996	—	20,014
Potatoes	5,031	15,404	+	10,373
Rails, fish-plates, etc.	1,367,942	1,086,804	—	281,138
Soap	134,502	127,248	—	7,254
Spirits—brandy	202,598	190,191	—	12,407
Spirits—gin	181,135	131,970	—	49,165
Spirits—rum	53,365	38,866	—	14,499
Spirits—whisky	762,219	772,103	+	9,884
Spirits—other	192,701	165,926	—	26,775
Sugar, cane	520,682	181,492	—	339,190
Tea	1,427,720	1,527,743	+	100,023
Timber	3,161,344	2,166,671	—	994,673
Tobacco, manufactured	172,104	206,072	+	33,968
Tobacco, unmanufactured	605,057	532,894	—	72,163
Cigars	191,545	130,823	—	60,722
Cigarettes	67,368	51,164	—	16,204
Tools of trade	641,304	493,997	—	147,307

VALUES OF PRINCIPAL EXPORTED ARTICLES.

The drought experienced throughout a vast area of the Commonwealth in the season of 1914-15, combined with the lack of shipping facilities and the prohibition from export on some articles—together with the embargo placed on the export of wool,

hides, etc., to some neutral countries—contributed materially to the serious decrease in the values of Australian exports of lines of primary production during the last fiscal year.

One of the most notable increases in the exports in 1914-15 is represented by horses sent oversea in connection with the defence of the Empire. Since the outbreak of war to this date, some 31,000 horses accompanied the Australian expeditionary forces to Egypt, while on account of the Imperial War Office about 40,000 horses have been shipped from Australia, chiefly to India.

The increased exports of frozen and canned meats were caused by the excessive killing of cattle and sheep to prevent their extermination by the drought, and also by the requirements of the military authorities.

TABLE OF EXPORTS.

The comparative values of leading lines of Australian exports for the fiscal years of 1913-14 and 1914-15, with increases and decreases, are shown thus:—

	Year 1913-14.	Year 1914-15.	+ Increase. — Decrease.
Horses.. . . .	£ 149,158	£ 792,142	+£ 624,984
Cattle	59,435	39,893	— 19,542
Sheep	68,541	37,631	— 30,910
Biscuits.. . . .	84,588	80,522	— 4,066
Bones, horns, etc	61,698	42,531	— 19,167
Boots and shoes.. . . .	13,278	14,073	+ 795
Butter.. . . .	3,136,146	2,661,166	— 474,980
Cheese.. . . .	63,046	72,520	+ 9,474
Coal.. . . .	1,285,552	717,375	— 568,177
Concentrates, not gold.. . . .	4,308,798	886,409	— 3,422,389
Copper ingots and matte	2,825,228	2,229,181	— 596,047
Cordage and twines.. . . .	8,783	7,970	— 813
Drugs and chemicals.. . . .	71,340	64,793	— 6,547
Fruits, dried, raisins.. . . .	33,130	19,426	— 13,704
Fruits, dried, other	5,672	2,282	— 3,390
Fruits, fresh, apples.. . . .	444,727	138,715	— 306,012
Fruits, all other.. . . .	67,339	35,985	— 31,354
Furniture.. . . .	11,778	6,168	— 5,610
Gold, uncoined.. . . .	1,306,864	702,634	— 604,230
Maize.. . . .	1,743	1,220	— 523
Wheat.. . . .	11,373,194	858,475	— 10,514,719
Other grain and beans and peas.. . . .	8,974	8,103	— 871
Bran, pollard and sharps.. . . .	84,001	59,656	— 24,345
Flour (wheaten).. . . .	1,857,469	509,400	— 1,348,069
Hay and chaff.. . . .	20,417	42,923	+ 22,506
Implements and machinery—agricultural, horti- tural and viticultural.. . . .	80,000	13,486	— 66,514
Rubber goods.. . . .	83,472	33,819	— 49,653
Jams and jellies.. . . .	25,117	90,992	+ 65,875
Lead—pig and lead matte.. . . .	2,037,176	1,988,506	— 48,670
Leather.. . . .	641,039	1,167,582	+ 526,543
Machines and machinery (except agricultural).. . . .	116,867	84,206	— 32,661
Meats, beef frozen.. . . .	3,215,656	4,990,054	+ 1,774,398
Meats, mutton and lamb frozen.. . . .	2,927,212	3,413,848	+ 486,636
Meats, rabbits and hares frozen.. . . .	508,143	534,596	+ 26,453
Meats in tins.. . . .	1,184,969	1,850,284	+ 665,315
Metal manufactures (free).. . . .	59,935	58,993	— 942
Onions.. . . .	36,445	33,297	— 3,148
Paints, colours and varnishes.. . . .	7,704	2,806	— 4,898
Pearlshell.. . . .	398,912	181,554	— 217,358
Potatoes.. . . .	10,509	12,548	+ 2,039
Silver—bar and matte.. . . .	925,264	663,246	— 262,018
Skins, hides.. . . .	1,844,390	1,380,202	— 464,188
Skins, rabbit and hare	548,820	231,286	— 317,534
Skins, sheep.. . . .	2,572,859	1,762,153	— 810,706
Skins, other.. . . .	632,350	145,692	— 486,658
Soap.. . . .	98,757	102,518	+ 3,761
Tallow	2,301,987	1,567,469	— 734,518
Timber.. . . .	1,122,285	793,093	— 329,192
Tin ingots.. . . .	548,078	202,639	— 345,439
Tobacco, manufactured	65,333	73,361	+ 8,028
Wine, not sparkling.. . . .	114,992	91,042	— 23,950
Wool, greasy.. . . .	22,744,874	17,453,737	— 5,291,137
Wool, scoured and washed.. . . .	4,985,132	4,627,994	— 357,138

SPECIAL REPORTS TO CANADIAN MANUFACTURERS.

During the period from January 1 to November 30, 1915, a large number of trade inquiries were received from Canadian manufacturers and exporters in respect to exploiting the Australian market on special lines of goods and products. These inquiries, in a number of instances, caused special investigation, and in each case a report was furnished outlining the prospects and the competition to be met. Suggestions were given as to the methods to be adopted to successfully place the goods on the Australian market. Quite a number of reports were also furnished, when occasion arose, to Canadian manufacturers in respect to special trade openings offering. The reports covered such widely diversified trading lines as follows:—

Acetone, aeroplanes, aluminium, apple cases, apples, asbestos, axes, axe handles.

Bags (grain), beans, bedsteads, bedstead tubing, beeswax, bed and horse blankets, biscuits, boot polish, boot and shoe counters, boilers, bolts and nuts, bottle caps, box shooks, bridges, bronze powder, bronzework, brush fibre, building materials, butter.

Canned fruits and vegetables, canvas, carbide of calcium, carbons, car buffers, car trimmings, caustic soda, cement, cereals, chairs, chemicals, chucks (lathe), clinker, clocks, concrete machinery, condensed milk, confectionery, conveyor belting, cooperage, copper goods.

Dairy machinery, delicatessen goods, derricks, disinfectants, doors (cold storage and rolling steel), dredges (marine), drills (twist), drilling machines, dry goods (hats and caps, hosiery, knitted goods, serges, sweaters—silk and wool—underwear, etc.).

Electrical goods, electric cooking and heating appliances, fittings, irons, stoves, welded chain, wires and cables, elevators, enamelware, engines (gasolene, traction, etc.), eucalyptus oil, expanded metal.

Fare boxes, fish, flooring (hardwood), flour and cereal mills, fly catchers, fog signals, forges, footwear (leather and rubber), furred skins, furniture (office and kitchen).

Gaskets, gems, greases (lubricating).

Hides and skins, hoisting machinery.

Implements, agricultural (cultivators, disc harrows, harvesters, tractors), iron castings (malleable).

Kitchen cabinets, knitting machines.

Lamps and lanterns, leather, lumber.

Mattresses, matches and match splints, metal ceilings, motor car accessories, motor trucks, motor tires.

Optical goods.

Paints and oils, paper (adding machine, news, parchment, sheathing, wall), peas, pianos, picture stamps, plaster, potatoes, printing presses, pulleys (wood split), pumps.

Rabbits (canned), radiators, refrigerators, ribbons (typewriter), roofing, roofing felt, roofing slates, rubber goods.

Sausage casings, scarf pin guards, sewing machines, sheep dips, shovels and spades, shingles, silverplate, sleepers, soap, spoons, staves, steamers (new for Australian trade), steel boxes, steel pressure blowers, steel rails, steel (structural), stoves.

Tinsmiths' supplies, tobacco.

Valves, vehicles.

Waste paper, wheat, wheelbarrows, wire (cable and signal), wire fencing, wire (galvanized), wire gates, wire (nail), wire netting, wood alcohol, wood handles, wooden goods.

DEPARTMENTAL PRINTED REPORTS ON AUSTRALIAN TRADE.

Among the subjects included in the reports published in the Weekly Bulletin in 1915, attention may again be directed to the exhaustive detailed information supplied in No. 587 on the Australian piano trade; No. 601, Australian dry goods trade in 1915, and No. 621, on the importance of the Australian trade in imported fish.

ASCERTAINING THE GOODS IN DEMAND AND SOURCES OF SUPPLY.

In Melbourne and other importing centres visited during the year, interviews with wholesale buyers, commission houses and manufacturers' agents were almost of daily occurrence.

The inspection of stocks of varied character in the warehouses of the importers, and viewing cargo being discharged from steamers from competitive oversea countries, together with a study of the ships' manifests, are of invaluable assistance. By this means the type or class of goods or products—whether of oversea or Australian production—in chief demand are ascertained and Canadian manufacturers are advised accordingly.

The result of visiting some well-established Australian industries has caused a number of manufacturers to communicate with Canadian producers of raw materials and, in some instances, inquiries concerning additional improved manufacturing machinery have received particular attention.

The importation of fresh apples and fish of all kinds—both of importance to Canadian producers—has been closely followed and the exporters of these and other lines from the Dominion are advised of any points of interest tending to increase their trade.

EFFECT OF MANUFACTURE OF MUNITIONS ON EXPORT TRADE.

The demand for munitions of war and military supplies upon the output of some important Canadian industries has caused the temporary withdrawal of quotations on lines well established in the Australian trade.

Other manufacturers who were, by correspondence from this office, impressed with the exceptional opportunity to introduce and exploit their goods in Australia advised that, for similar reasons, they could not take advantage of the undoubted demand for such goods as they were regularly producing.

While the manufacture of munitions is, admittedly, of paramount importance to the Dominion and to the Empire, yet that most vital and necessary work has, undoubtedly, reduced the volume of Canadian exports to Australia in 1915, besides giving manufacturers in neutral countries an opportunity of becoming well established in the trade. One leading Canadian manufacturing company explained their position in a recent letter thus:—

“On account of the demands for munitions of war and the advices we have received from the Canadian Government, as well as from the Home Office, to the effect that we must not only give all their contracts preference, but must also be prepared to accept larger and increased tonnage for materials entering into the manufacture of munitions of war, the inquiry, to which you refer, will have to be passed by us in this instance.”

On November 17 a proposal was submitted by letter to another important Canadian company in regard to introducing and placing their goods upon the Australian market, to which a cabled reply was received at this office on December 20, as follows:—

“Thanks your inquiry capacity taken until March 1 future prices too uncertain.”

IMPORTANT TENDERS FROM AUSTRALIA.

Regular readers of the Weekly Bulletin in 1915 have observed that tender forms, specifications and drawings in respect to the oversea requirements of Australian public departments have been made available to the Department of Trade and Commerce, Ottawa, for the information of Canadian manufacturers.

The tenders were invited by the Royal Australian Navy (for dockyard equipment and two hopper dredges), the various state-owned railway systems, the Federal

post, telegraph and telephone department and other public bodies and in many instances the requirements of machinery, plant and equipment represented orders of great monetary value. Independent of the special machinery orders and the recurrent demand for steel rails and locomotives necessary for new railway lines constantly under construction, there are the regular requirements from overseas used in the workshops for the building and maintenance of large quantities of modern rolling stock.

In this connection it may be stated that the various state-owned railway workshops in Australia—for the construction of cars, vans, locomotives and for effecting repairs, improvements, etc.—are very extensive industrial establishments. As an example, those of the Victorian railways at Melbourne employ, under normal conditions, about 4,000 men, hence much imported material is necessary for the large annual output. As emphasized in former reports, many important Australian tenders are not forwarded to Ottawa for the reason they are returnable at such an early date that Canadian manufacturers are precluded from submitting their quotations within the specified time.

To have an opportunity to bid for these requirements, it is obvious that Canadian manufacturers must adopt the same procedure as that followed by manufacturers in competing countries by appointing capable and reliable agents in Australia to whom quotations can be submitted by cable. These representatives would advise their principals of new business offering, and have the names of the manufacturers approved and placed upon the official lists of firms acceptable to the various purchasing departments.

INQUIRIES FROM AUSTRALIAN IMPORTERS, ETC.

During 1915, many Australian importers, manufacturers' agents and others desirous of making trade connections with Canada have, by correspondence and by personal interviews, been supplied with information respecting sources of supplies, and suggestions were outlined as to the shipping and other methods to land the goods or products upon the most economical basis, thereby meeting competition from other sources.

Never since the Melbourne office was opened has there been such persistent application for catalogues and price lists of Canadian goods as during 1915. A number of buyers for Australian firms, particularly of dry goods, have visited Canada with the object of making permanent trading connections and to supplement on the spot their rapidly depleted stocks. When an opportunity occurs, importers are promptly referred to the travelling representatives and resident agents of Canadian manufacturers, and the travellers and agents are also communicated with in the interests of their principals.

THE AUSTRALIAN TRADE IN AGRICULTURAL MACHINERY.

For many years Canada has maintained the predominating position in the (imported) agricultural implement and machinery trade of the Commonwealth. In importance, this line has hitherto occupied the first place in the list of Canadian exports to Australia. The imports for the fiscal year of 1914-15 were valued at £599,261, showing a decrease of £74,128 in comparison with the previous year. The figures showing the country of origin of the imports are not yet available, but it is anticipated that Canadian manufacturers have succeeded in maintaining their position.

On account of the almost total failure of the 1914-15 harvest, about 65 per cent of the harvesting machinery imported for that season was carried over, and consequently the importations for the current harvest suffered diminution to about that extent. On the other hand, owing to the efforts made by the State and Commonwealth Governments to induce the seeding of increased areas, the demand for seeding and tillage machinery in the autumn of 1915 was larger than anticipated during the progress of harvest, but not equal to the average of recent years by about 30 per cent,

as a large portion of the farmers were not in a position to finance new purchases. The importations of these lines which are now arriving will be about 20 per cent less than usual.

The area laid down in crop for the harvest now being gathered is estimated to be about 25 per cent larger than was seeded in any previous year, and owing to favourable climatic conditions during the period of growth the yield will be probably about 20 per cent above the average in Victoria, New South Wales, South Australia and Western Australia, while in Queensland, on account of the lack of rainfall experienced in that state, both the grain and grass harvests are almost a total failure. The demand, however, for harvesting machinery in the other four states was the largest in the history of Australia and has proved beyond the capacity of both importers and local manufacturers to provide for, and the sale of binders particularly would have been greatly increased had larger supplies been available.

With the exception of mowers and rakes, which are more largely sold in Queensland than in any other state, all lines of harvesting machinery have been completely exhausted this year, and heavy orders are being placed with the manufacturers in Canada and the United States for next harvest, although these are restricted to some extent by reason of the abnormally high oversea freight rates at present ruling.

EFFECT OF HIGH OVERSEA FREIGHTS ON FARM MACHINERY.

In normal times freight rates from Atlantic ports to Australia on such bulky merchandise as harvesting machinery average about 30 shillings per cubic ton. A binder measures about $2\frac{1}{2}$ tons and consequently the normal cost of sea carriage is about \$18.25, while with current rates averaging about 100 shillings per ton, the cost of sea carriage of a binder is increased to something in excess of \$60. In view of the uncertainty as to when the war will terminate and freight rates return more nearly to the normal, importers are disinclined to be speculative in their estimates.

Retail prices of farm machinery have been moderately advanced during the season to cover the war duties and increased importing expenses arising out of shipping difficulties, insurance and exchange charges. Prices will, in all probability, be subjected to further adjustment during the year to bring them more closely in accord with increasing costs.

DECLINE IN LUMBER IMPORTATIONS.

The value of the Australian importations of timber for the fiscal year of 1914-15 is given at £2,166,671 as compared with £3,161,344 for the previous year, representing a reduction of £994,673. In Weekly Bulletin No. 615 appeared a résumé of the 1915 trading conditions. On account of the high freights, the stocks of Douglas fir are low, but many cargoes for loading at Pacific Coast ports up to June, 1916, have already been placed. The war and the effects of the drought, in addition to heavy transportation charges, have found a combination of adverse circumstances reflected in the great decline in building and hence the decreased demand for lumber. Experienced timber brokers express the view that in 1916 the requirements of—the principal Australian markets—Sydney will decline by at least 40 per cent, and Melbourne by 33 per cent below normal.

Few cargoes of Baltic pine are on the way, and with a freight rate of \$40.40 per Petrograd standard of 1,980 superficial feet, now demanded, there is little prospect of heavy importations of this popular timber. The outlook for an early revival of the Australian timber trade is not reassuring.

IMPORTATIONS OF FISH.

For the fiscal year, the total importations of fish were valued at £802,708, showing an increase of £47,434 over the previous period. This item was exhaustively dwelt upon in Weekly Bulletin No. 621, and since the date of its despatch considerable shipments of Canadian canned herrings and sardines have been received and have gone into consumption in Australia.

FURRED SKINS.

Through direct correspondence with dealers and the practical co-operation of the Department of Trade and Commerce—in this as well as in all other respects—the importation of undressed furred skins from Canada was initiated this year by several sample shipments to manufacturing furriers in Melbourne. The trial shipments are now being opened and compared with skins from other sources of supply, which will form the subject of a subsequent report. As the result of information and suggestions made, an Australian importer of furred skins is now in the Dominion investigating at first hand the trade conditions. Canadian exporters are referred to Weekly Bulletin No. 540 for comprehensive information respecting the marketing of fur skins in Australia.

CANADIAN APPLES.

As a result of correspondence with the Canadian Commercial Intelligence Service in Australia, some British Columbia exporters of apples have, during 1915, made new trading connections and increased their volume of business. The fruit landed in excellent condition, being high grade and carefully packed. Particulars concerning the various shipments for the season will be dealt with in a later report.

AUSTRALIAN INDUSTRIAL DEVELOPMENT.

As in other countries so suddenly deprived of the competition from goods and products supplied by continental manufacturers—notably German—there has been in 1915 a marked development in Australian industrial enterprises.

The increase in the output of Australian factories, and in the variety of the goods manufactured, has been further accentuated by the abnormal ocean freights, increased insurances, unfavourable exchange and other contributing factors on merchandise imported from the United Kingdom, the United States, Canada and from some other countries participating in the trade of the Commonwealth.

Admitting that the cost of the imported raw materials used by Australian manufacturers in their finished products is now, in comparison with ante-war days, excessively high, yet the cost of transportation from overseas of such necessary constituents is, in the main, less than half of the freight on the competitive imported goods—particularly those of a comparatively cheap and bulky nature.

Additional pressure has been placed upon Australian industrial activities by the immense orders placed by the Defence Department for the equipment and maintenance of the expeditionary forces which are being constantly augmented. The entire output of the larger woollen mills, and the output of some other factories, has been acquired by the military authorities. Efforts are now being made to supplement the excellent results already obtained in producing rifles and small ammunition by manufacturing shells upon an extensive scale.

The foregoing factors relative to the causes contributing to the increase in manufacturing, combined with improved equipment for production, point to Australian industries being now in an interesting stage of progressive development which it is anticipated will have an important bearing upon the trade of the Commonwealth after peace is declared.

ITINERARY FOR TRAVELLERS IN AUSTRALIA.

Correspondence received from Canada discloses the fact that a number of manufacturers have no conception of the vastness of the Australian territory, nor an adequate idea of the time and expense involved by commercial travellers interviewing buyers at the principal importing centres. Briefly, it may be stated that, while the

entire coast line of the Commonwealth is 12,210 miles, the distances between the leading importing cities is much less. The coast line from Brisbane to Perth involves (with return journeys) some 6,868 miles of travelling. For general information a table of distances and the cost of fares has been compiled and is submitted herewith:—

The first-class passenger rates now ruling are—

Miles.	Route direction.	Fares.
7,631	Steamer Vancouver to Sydney.. . . .	\$ 225 00
15,262	Steamer Vancouver to Sydney and return.. . . .	337 50
725	Railway Sydney to Brisbane.. . . .	17 76
1,450	Railway Sydney to Brisbane and return.. . . .	35 53
499	Steamer Sydney to Brisbane.. . . .	16 42
998	Steamer Sydney to Brisbane and return.. . . .	26 15
2,461	Steamer Sydney to Perth, W. A. (via ports).. . . .	53 53
4,922	Steamer Sydney to Perth and return.. . . .	80 30
533	Railway Sydney to Melbourne.. . . .	17 76
1,166	Railway Sydney to Melbourne and return.. . . .	35 52
1,066	Railway Sydney to Adelaide.. . . .	27 86
2,132	Railway Sydney to Adelaide and return.. . . .	55 72
1,403	Steamer Adelaide to Perth, W.A.. . . .	32 85
2,806	Steamer Adelaide to Perth and return.. . . .	49 88
474	Steamer Melbourne to Hobart.. . . .	14 60
948	Steamer Melbourne to Hobart and return.. . . .	24 33
1,098	Steamer Melbourne (via Hobart) to Sydney.. . . .	29 20

The direct representative of Canadian manufacturers leaving Vancouver could break his journey at Auckland, N.Z., if desired, or otherwise he would leave the steamer at the terminal port of Sydney, N.S.W.

To economically work the territory, he would subsequently proceed to Brisbane (Queensland), thence returning to Sydney, from which point he could leave by steamer for Melbourne, Adelaide and Perth (i.e., the port of Fremantle), W.A., and on his return journey could leave Melbourne for Hobart and Launceston (Tasmania).

If only the principal trading centres were visited (in sequence), Sydney, Brisbane, Melbourne and Adelaide, eliminating Western Australia and Tasmania, it would save considerable expenditure and time. The Canadian Pacific Railway can issue return tickets to any Australian city, from any of their principal offices, which would likely effect a reduction in the rates quoted herein.

Hire of sample rooms, depending upon the space required, varies in the leading cities, but an average of from \$10 to \$12.50 per week should cover this expense.

The hotel charges are not higher than the charges for similar accommodation in Canada.

Canadian firms, or a group of manufacturers, can, with the foregoing information, estimate with approximate accuracy, the cost likely to be involved in sending a travelling representative to Australia.

DIRECT REPRESENTATION EMPHASIZED.

As strongly urged in special reports which have appeared in the Weekly Bulletin from time to time, if Canadian manufacturers and exporters expect to establish their lines successfully and permanently on the Australian market they must send capable travelling representatives throughout the principal importing centres in the Commonwealth. The same, and even more particular, attention must be devoted to the over-sea trade as is cheerfully devoted to domestic business. Admitting that the expense of sending a direct traveller from one factory precludes many manufacturing companies from reaching out for Australian trade, yet a combination of three or four manufacturers of non-competitive or conflicting lines could share the expense of engaging a capable representative and keep him constantly in this territory (and his itinerary could include New Zealand). As a matter of fact there are several Canadian travellers now in Australia successfully following the procedure outlined.

APPOINTMENT OF AUSTRALIAN AGENTS.

When it is inexpedient for a Canadian firm to send out a travelling representative to Australia, an effort should be made to secure the services of a capable and reliable

agent holding, if possible, practical experience of the line to be exploited and of the trade to be approached. In negotiating for such service at this great distance, much invaluable time would be saved if the firm interested would submit a straight out proposition—that with a salary or office allowance and a commission being generally more acceptable than upon a more liberal commission basis only. To secure the assistance of a good salesman, with the necessary knowledge of oversea finance and shipping, it means remuneration equal at least to that paid in Canada for similar qualifications.

SUCCESSFUL INTRODUCTION OF NEW LINES OF GOODS.

Through letters addressed to the Canadian Commercial Intelligence in Australia a number of new lines of “made in Canada” origin have been introduced to the Australian trade in 1915, in some of which orders of very considerable monetary value were placed. It is not considered presumptuous to state that the volume of this new business would have been much larger had some Canadian manufacturers given a little attention to the suggestions outlined in correspondence sent from this office. The magnitude of the Australian requirements of many lines of machinery, plant, etc., is undoubtedly not yet realized by the majority of Canadian manufacturers, although the tender forms submitted to the Department (while only in reference to government contracts) give an indication of the trade to be done. Inquiries relative to any line of goods, as heretofore, are assured of careful investigation and a market report being furnished thereon.

CANADIAN TRADE CATALOGUES.

Trade catalogues to be of any practical service must be accompanied by price lists and discount sheets upon the basis of f.o.b. steamer at port of shipment (no other basis will be considered by Australian buyers) at say Montreal, St. John or New York. Manufacturers issuing new catalogues are urged to remember the distant Trade Commissioners, who appreciate being in a position to advise importers “on the spot” and frequently succeed in influencing trade connections thereby.

CANADIAN TRADE AND OTHER JOURNALS.

This office continues to be indebted to the publishers of the majority of the trade journals published in Canada for the consideration in forwarding their invaluable papers, gratuitously, in the interests of their advertisers and, incidentally, for the promotion of Canadian trade.

TRADING OUTLOOK FOR AUSTRALIA IN 1916.

The difficulty of obtaining supplies of even necessary goods and products is becoming more acute as the period of the war extends. The freight situation at the close of 1915 dominates the whole trading position, and there does not appear to be any hope of relief within the near future. Happily, the Canadian mail steamers from Vancouver—as well as some intermittent cargo steamers from the same port—and the cargo steamers from Atlantic ports have, under all the circumstances, maintained excellent services throughout this year.

The present disposition of Australian buyers is to obtain, as far as possible, goods manufactured within the Empire and Canadian manufacturers and exporters should endeavour to devote particular attention to the opportunity waiting them in the sister Commonwealth.

CORRESPONDENCE AND INTERVIEWS.

On reference to the Melbourne office records, the following schedule has been prepared to indicate the number of letters received and despatched and the number of interviews in recent years:—

Year.	Letters Received.	Letters Despatched.	Interviews.
1910..	1,839	2,223	2,162
1911..	1,850	2,465	2,040
1912..	2,301	2,687	2,314
1913..	2,149	2,838	2,520
1914..	2,645	3,390	2,883
1915 (11½ months)	2,670	3,201	2,572

In addition to the letters despatched were a large number of circular letters and a quantity of literature bearing upon some special lines of Canadian primary production.

BRITISH WEST INDIES.

REPORT OF TRADE COMMISSIONER.

(*Mr. E. H. S. Flood.*)

BARBADOS, December 23, 1915.

AN AVERAGE YEAR'S WORK.

During 1915 the work of this branch of the Canadian Commercial Intelligence Service was continued without interruption, and was conducted on the same lines as in former years. Some slowing down was expected on account of the war, but on looking over the correspondence and the general work accomplished, it appears that this year compares favourably with 1914. Up to that time the use made of this branch by Canadian exporting firms in obtaining information concerning the trade of these colonies, and in being put in touch with West Indian firms in their respective lines had been on the increase. A review of the work for the eleven months of 1915 ending November 30, which is herewith submitted, shows that in these respects the record of usefulness of this branch has been maintained.

TERRITORY COVERED.

The work has extended over all the British West Indies, British Guiana and Bermuda, the latter, however, only incidentally, as it is so far from Barbados as not to be under effective control. As each of these colonies publish separate statistics of trade, and official publications dealing with Customs regulations, all of which are received, no small part of the time of a trade official is taken up in going through from day to day this large volume of literature, and no evidence can be given in an annual review of the time thus spent. In order to keep in touch with the personnel of the mercantile community in each island, a regular correspondence has been maintained with the leading firms on subjects of mutual interest to Canada and the West Indies, and these and other firms have been circularized, sometimes offering general co-operation with the view of extending trade, and at other times supplying information in regard to some particular Canadian firm desiring an opening for its goods. This correspondence has had a wide range, extending over the whole of the Caribbean.

LOCATION OF THE OFFICE.

The office of the Canadian Trade Commissioner is within easy distance of the centre of Bridgetown, and may be reached in a few minutes either by tramcar or by a direct ten minutes' walk. The building in which it is situated is one of the best

known about Bridgetown. It is well suited for the purpose, both in regard to its size and general appearance, and is considered a credit to the Service. The office is large and convenient for work, and the reading room, which is made a feature, is also large with ample space for the newspapers, trade journals, and similar literature, which are daily received from Canada and the various islands. This room is open to all who may desire to make use of it, and through the year a number of callers avail themselves of the privilege. An effort is made to file and have for ready reference such catalogues as are issued by Canadian firms in the principal lines of business, it being found necessary to have such information ready at hand. A well assorted library of books has been collected, consisting chiefly of those giving the history of Canada, and a description of the country, including also a number dealing in a similar manner with matters relating to the West Indies. The following newspapers, trade journals, official gazettes and blue books are on file and available:—

Canadian newspapers—

Four of the leading dailies.

Canadian trade journals—

The *Grocer*, *Maritime Merchant*, *Canadian Fisherman*, the *Lumberman*, *Monetary Times*, *Financial Post*, *Dry Goods Review*, *Hardware and Metal*, and *Canadian Machinery*.

The *London Times*, weekly.

"*Canada*," published in London.

The *Northwestern Miller*.

Shipping Illustrated.

The *New York Evening Post*.

West Indian newspapers: three dailies and three weeklies.

Official Gazette of each island.

Canadian blue-books, chiefly Department of Trade and Commerce.

West Indian blue-books from each island.

VOLUME AND CHARACTER OF THE CORRESPONDENCE.

The record of letters received and despatched this year up to November 30 shows 701 received and 850 despatched. Circulars consisting of letters and printed matter were also despatched through the mail to the number of 455, making a total of 1,305 for matter despatched. In addition to this there was a large amount of printed matter received in the way of circulars and otherwise, of which it was not considered necessary to keep a record. Most of the correspondence was with Canadian firms and covered a wide range of subjects, at times necessitating painstaking efforts to obtain facts and data to make the subject clear and of value to the correspondents. Of commercial letters, the greatest number was with firms in the lumber trade, and there was also a large number inquiring for agents and firms in general trade. Considerable correspondence also took place with concerns manufacturing hardware and machinery, and with firms dealing in fertilizers. The principal subjects dealt with will be seen in the following list:—

Sugar and molasses; lumber, including staves and shooks; machinery; hardware, electrical appliances and electric light fittings, fare boxes, roofing, metal, wire netting, and woodware; stoves; motor cars and bicycles; paints, oils, and varnishes; fertilizers and sulphate of ammonia; fish and salmon; flour; condensed milk; groceries; apples, potatoes, and oats; cocoa and cocoa bags; textiles (knitted goods, whitewear, silk wear) and needlework; rubber goods, druggist sundries; optical goods; furniture and chairs; pianos and music; inquiries, references, introductions, and agencies.

REPORTS APPEARING IN THE WEEKLY BULLETIN.

The reports which were supplied from this branch of the Service and which appeared in the Weekly Bulletin of the Department of Trade and Commerce, Ottawa, are indicated as follows under their respective dates, with the matters dealt with in each:—

Date.	Subjects.
January 16.	Trade of St. Lucia. Imports, including flour, fish, cheese and butter. Manufactured goods imported. Principal firms and steamship lines. Statement of principal imports. Export trade. Range of island's products. Sugar, molasses, rum, cocoa, and limes. Exports to Canada.
January 30.	West Indian sugar industry. Estimate of sugar crop for 1915. Trinidad's trade with Germany and Austria. Reasons for the preference given German goods. Potash manure. Increase in Canadian flour due to preferential tariff. Cassava. Lumber cargoes eastbound through the canal.
February 19.	Lumber trade of the West Indies. Lumber trade of islands other than British. Total value of lumber imported into the Caribbean. Table giving details of Cuban lumber import. Lumber dealers in Havana. Principal lumber dealers in Porto Rico. Lumber trade of Santo Domingo, the French and Danish Islands. Local stocks and prices.
March 20.	Trade of Trinidad in 1914. Increase in imports. Trade with Canada increased. Trade with United States and United Kingdom. Coal and patent fuel imported. Increase of flour import from Canada. Canadian opportunities in foodstuffs and in manufactured goods. Exports general. Exports to Canada. Cocoanuts and cocoa.
April 30.	Hardware receiving a tariff preference in West Indies. Total value of the hardware trade. Stoves and coalpots. Machinery, including implements of agriculture. Carriages, motor cars and bicycles. Builders' hardware and tools. Carriage builders' supplies. Japanned and enamelled goods. Galvanized iron roofing, buckets, tubs and cement. General notes on the hardware trade. Openings for Canadian hardware in West Indies. Statistics of hardware import.
May 29.	Canadian trade with St. Lucia. Increase in imports from Canada under preferential tariff. The flour trade with St. Lucia. Shipments of sugar.
June 12.	Trade of Barbados in 1914. Imports for that year. Quantity of flour imported. The lumber trade. Imports of fish and other foodstuffs. Manufactured goods required through the year. Household furniture. Trade in iron, steel, and cordage Shipping and bunking coal. Present conditions of trade. Comparative statement of principal imports. Canada the best customer of St. Lucia.

TRADE AND COMMERCE

Date.	Subjects.
July 1..	Canadian fertilizers for the West Indies. Analysis of a typical Barbados manure. Principal fertilizers used in Trinidad and Tobago. Imports of fertilizers used in British Guiana and Leeward Islands. Manures used in Dominica. Small quantity of manure imported into Jamaica.
July 27..	Trade of Jamaica in 1914. Imports of foodstuffs, less flour imported. The fish trade. Statistics regarding imports of fish. Trade in lumber and condensed milk. Imports of leather, boots and shoes, hardware. The bunker coal industry. Decline in trade with Germany. Detailed statement of imports from Canada. Exports of sugar, rum, and fruit.
August 23..	Barbados sugar and molasses market. British cane sugar industry. Weather and crops. Pig raising in the West Indies. Present market conditions in Barbados. Recent cargo arrivals, with statistics. Trinidad market notes.
September 13..	Trade of Grenada in 1914. Imports from Canada increased during the year. Increase in imports of flour and fish. Fish statistics. Growing demand for fertilizers. The Canadian preference and table of imports from Canada. Steamship lines and trade with the United States. Principal articles imported from the United States. Exports of cocoa, spice, cotton and cotton seed.
September 30..	Agricultural implements used in West Indies. Names of the various implements. Description and illustration of bill hooks, matchets, agricultural forks, hoes, etc. Description of the peck, peck hoe, Demerara sickle.
October 16..	Conditions of the lumber trade last year. Increase of lumber imports into Trinidad. The import of lumber into British Guiana. Shooks and staves. Description and illustration of the puncheon used for molasses. Cost of the staves. Gumwood as a substitute for oak. Specifications of the staves used for puncheons and casks. How shipments are made. Statistics.
October 29..	Trade of British Guiana in 1914. Direction of the trade. Falling off in the imports. Imports from Canada increasing. Large percentage of the flour now imported from Canada. Statistics showing improvement in the fish trade. Dairy products. Motor cars. Opportunities offered Canadian firms. (Imported). Table giving quantity and value of principal articles. Exports of sugar, rum, coffee and coconuts.

DISTRIBUTION OF CIRCULARS AND OFFICIAL PUBLICATIONS.

It was thought desirable to have printed for distribution a small letter-size booklet reproducing the Canada-West India Agreement in which were enumerated all the articles to receive preference. Early in the year this was carried out, and thereafter an enclosure was made of the booklet in all correspondence with West Indian firms where the facts concerning the particulars of the Agreement seemed likely to be of service. In a similar way a quotation was taken from one of the reports of the West Indies and was printed in slip form to enclose in letters to Cana-

dian firms urging the necessity of sending down travellers with samples to canvass the islands. A large number of the *Official Export Directory of Canada*, published by the Department of Trade and Commerce, Ottawa, as well as copies of the *Canadian Trade Index*, supplied by the Canadian Manufacturers' Association of Toronto, was also distributed to leading firms.

INTERVIEWS.

The record of interviews for the year shows that 429 took place. These were personal in all cases. Some were calls at the office for the purpose of obtaining information on subjects relating to Canadian affairs, and others were calls made on merchants and others in Bridgetown in the interest of some Canadian firm. The subjects dealt with in these interviews are similar in kind to those given in the list of topics relating to the correspondence, as in many cases the interviews resulted from the correspondence. Occasion was taken at nearly all these interviews to supply catalogues and solicit business for firms in Canada at whose instance the interviews were made. No numbered list has been kept of the catalogues delivered in this way, but it may be assumed that on nearly every occasion where an interview took place a catalogue of price list of some sort was supplied. The number of circulars therefore which was given as mailed in a previous paragraph would be considerably increased if all catalogues and circular matter delivered personally were included.

GENERAL CONDITIONS DURING THE YEAR.

The war has had the effect in some of the colonies of causing a decline in the imports, and a falling off in revenue for customs has therefore resulted. In others a drought or some other local cause has occasioned a lower crop yield than usual. Considering all the islands together, however, a good average crop has been returned and high prices have ruled throughout the year. The situation is well described in a December issue of one of the leading newspapers of British Guiana in the following words: "This colony and the British West Indies generally have been let off extremely lightly so far as any serious setbacks to industry caused by the war are concerned. With the exception of contributing their quota to the West Indian battalion, which is now being formed in England for active service, a duty which has been considered an honour by each of the several colonies, and the slight inconvenience consequent upon the inevitable interruption to steamship communication, the angel of peace might just as well be reigning over Europe as the god of war." The article then goes on to remark on the special industries of the different islands; that Antigua has had considerable success in growing corn, and that in St. Vincent the cultivation of the lima bean in conjunction with corn has been successful; that in St. Lucia much attention is now given to the planting out of limes and the manufacture of lime juice, in addition to the staple sugar industry of the island. We are further assured that the Trinidad is enjoying a period of unhampered prosperity in its cocoa and sugar industries, and that Barbados also is enjoying a fair measure of prosperity due to the price of sugar. It is pointed out that in Jamaica the fruit industry, which now comprises half of the exports from the island, is still further developing, while the sugar planters report favourably on the prospect for the year. British Guiana shows an increased export of sugar amounting in values to £83,000, and the exports of rice during the year have been the largest since the inception of the industry.

TOURIST TRADE.

Only a short time ago the Canadian tourists to the West Indies were few in number. Canadians who did make the trip came for purposes of business or for reasons of health. This condition, however, has been considerably changed, and in the early winter months of the year before the war, at least fifty Canadians were at one time registered at the hotels in Barbados. A large number of these called,

making use of the office and the reading room where the latest Canadian papers were to be found. Last winter, however, the tourist trade greatly declined, as tourist ships feared the attack of enemy craft which were known to be about the Caribbean. Since early spring, however, this danger has passed, and a few visiting salesmen representing Canadian firms have visited the Island. It is to be regretted, however, that more salesmen are not sent to the British West Indies, as the trade in many lines of goods formerly supplied by Germany and Austria has been captured by American firms whose representatives have appeared in considerable numbers this year. It is well to remark in this connection that a large number of West Indians who have been in the habit in former years of spending their summers in England and on the Continent, have visited Canada this year, some of them for the first time. This office has had the pleasure of supplying not a few of these tourists with information respecting Canadian steamship lines and railways, and with general information about Canada. The itinerary has generally been from St. John along the St. Lawrence down to Niagara, some returning via New York, and others via Halifax.

ACKNOWLEDGMENT.

Full acknowledgment is made of the ready assistance rendered during the year by the Canadian Commercial Agency in Trinidad, under Mr. Tripp, in providing special facts in regard to the trade of that Colony in the interest of Canadian inquirers.

BAHAMAS.

REPORT OF COMMERCIAL AGENT.

(*Mr. R. H. Curry.*)

NASSAU, November 12, 1915.

ANNUAL REVIEW—1915.

During the eleven months of the current year under review, nothing of particular importance concerning trade between Canada and the Bahamas has occurred.

Inquiries amounting to about sixty have been received from manufacturers and merchants in various parts of Canada requesting information as to the possible market for goods of all descriptions and in every instance the fullest information obtainable, together with the names of importers and dealers likely to be interested, was promptly supplied.

Unfortunately the demands of this market are small and by far the largest portion of the business done is with the United States, owing principally to the fact that that is the only country with which regular and direct communication is maintained, and also because orders placed there are delivered more promptly than elsewhere.

Although owing to the war trade with Canada has decreased, the importation of flour, hay, oats and other articles having practically stopped, nevertheless it is thought that this condition of affairs could be improved, more especially as there is a natural tendency amongst the importers and merchants in the Bahamas to trade with British countries whenever it is practicable.

IMPORTANCE OF PERSONAL INVESTIGATION.

On several occasions previously, attention has been drawn to the fact that commercial travellers from Canada seldom or never visit this territory, while the representatives of American products pay annual, and in some instances semi-annual visits, when they not only sell and advertise their goods, but also secure detailed

information regarding the peculiar requirements of the market as to packing, shipping, etc., which must prove invaluable to them in developing trade. It is customary for a few of the large American meat packers, shoe and paint manufacturers, grocers and others to send their representatives to the Bahamas regularly, and some of them have local agents as well, who look after their shipments and protect their interests generally.

If Canadian Houses could be induced to follow along these lines and make arrangements for the prompt and regular delivery of orders placed with them, there is no doubt that a portion of the trade which now goes to the United States could be diverted to the Dominion.

CONDITIONS IN THE COLONY.

It is impossible at this time to secure any statistics with regard to the trade of the colony for the period under review, but a table is attached with regard to the imports and exports for a previous year, which should prove of some interest.

Nassau, the capital of the Bahamas, has long been a popular winter resort with Americans and is now rapidly becoming known to Canadians who travel South to escape the cold. Every year sees an increase in the number of callers, whom it is always a pleasure to meet and welcome to the city. The office of the Canadian commercial agent is situated on Bay street, in proximity to the banks, public buildings, landing squares, etc., and his services are at the disposal of Canadian visitors from 7 a.m. to 5 p.m.

For the benefit of those who propose visiting these islands, a table is appended showing the temperature and rainfall for the twelve months ended December 31, 1914, also the maximum and minimum temperatures as recorded at the Meteorological Observatory in Nassau.

Under the existing circumstances, business during the current year has been good. The islands have fortunately escaped hurricanes and such like catastrophes, and the principal exports, sponge and sisal, have demanded fairly good prices. Owing to good seasons the field crops have been excellent, and the exportation of tomatoes which was considerably larger last season than ever before, is expected to show an increase this season of at least one hundred per cent.

PARTICIPATION IN THE WAR.

The Bahamas in addition to generous donations to the war funds both by the Legislature and voluntary subscriptions have sent one contingent and are about to send another to the Old country via Jamaica and several of the young men of the colony who were employed in Canada accompanied the Canadian contingents to the front where unfortunately some of them have already fallen.

TRADE TABLES.

Imports.

Imports into the Bahamas for the Fiscal year ended March 31, 1915, and the countries from whence derived.

United States.. . . .	\$1,302,240
United Kingdom.. . . .	376,252
Canada.. . . .	28,497
British West Indies... . .	36,955
Foreign countries other than the United States.. . . .	48,828
	<hr/>
	\$1,792,772

TRADE AND COMMERCE

Principal imports from Canada into the Bahamas for the Fiscal Year ended March 31, 1915.

Butter..	\$ 2,717
Flour..	8,780
Hay, oats, etc..	13,909
Motor cars..	1,628
Musical instruments..	112
Whisky..	784
Wine..	506
Earthenware, glassware, etc..	805

Exports.

Exports from the Bahamas for the Fiscal Year ended March 31, 1915, and the countries to which sent.

United States..	\$ 542,061
United Kingdom..	174,739
Canada..	8,292
British West Indies..	1,574
Foreign countries other than the United States..	363,508
	<hr/>
	\$1,090,174

Principal articles exported to Canada from the Bahamas for the Fiscal Year ended March 31, 1915.

Grape fruit..	\$ 410
Pine apples, preserved..	2,385
Tomatoes..	1,887
Sponges..	3,620

N.B.—The figures in these tables are not necessarily correct although obtained from the most reliable source of information, owing to the fact that shipments from Canada via the United States are often entered as having been imported from the latter country. Certificates of Origin are not demanded by the Custom Laws.

TEMPERATURE AND RAINFALL.

(Year ended December 31, 1914.)

	Temperature.	Rainfall.
January..	70°5	3°38
February..	71°9	1°60
March..	69°5	°65
April..	74°5	4°22
May..	76°8	4°77
June..	79°5	4°86
July..	81°5	4°64
August..	82°5	3°13
September..	79°5	7°13
October..	79°7	7°85
November..	76°3	10°40
December..	75°2	1°69
Average..	76°4	4°53

Maximum temperature on record, °93, August 21, 1908.

Minimum temperature on record, 51°5, January 27, 1905.

TRINIDAD.

REPORT OF COMMERCIAL AGENT.

(Mr. Edgar Tripp.)

PORT-OF-SPAIN, January 15, 1916.

ANNUAL REVIEW.

Trinidad is a singularly favoured colony. Even the war which is devastating Europe, has greatly enhanced the value of the staple products, sugar, cacao, coconuts, etc. The cost of living is certainly enhanced, but not to the extent of the increased returns from agriculture upon which the prosperity of the island mainly depends. Poverty has perhaps been less felt among the poorer classes, employment has been good and regular, and money more generally and plentifully distributed than for many years. This was specially observable during the fortnight before the Christmas holidays when the stores generally were crowded with all sorts and conditions of people spending freely in preparation for the coming season. Although the official statistics of trade are not, and will not be published for some time, it is satisfactory to know from other sources that Canada, notwithstanding the other and important demands for her products, has been able to share in the improvement noted, and in almost all cases to maintain and in many to increase her exports to Trinidad.

CONTRIBUTIONS TOWARDS THE WAR.

During the early months of the war this island equally with the other British West Indian possessions, was apparently in imminent peril of attack at any moment by one of the many enemy warships known to be in these waters. This danger, thanks to the navy, has been entirely averted for some months, and were it not for the "war news" telegraphed daily there would be no sign of the world's peace being so ruthlessly destroyed. Still Trinidad has not been unmindful of its duty to the Empire. The legislature voted £40,000 worth of Cacao on behalf of the colony. A patriotic fund, under the auspices of the Chamber of Commerce, for the dependents of men fighting for the empire now amounts to nearly \$60,000, whilst the Chamber made a separate special gift to the War Office of a warplane. To the Red Cross fund about \$46,000 has already been remitted, and subscriptions still come in steadily, whilst thousands of boxes of oranges and other fruits have been regularly shipped for use in the hospitals, etc. French, Belgian and Serbian funds have also benefited by the generosity of the public. And it is not in money alone that the island has given. Some 500 men have gone forward as a public contingent, while the merchants at their own expense have enrolled, equipped, paid passages to England and maintained there until enlistment, 200 more. The colony is to continue sending fifty a month, the number named by the Home authorities until the end of the war. All this, of course, means increased taxation, but this has been equitably applied principally on the prosperous agricultural interests, and is being cheerfully met. One direct advantage of the war has been the elimination of a number of German traders whose methods of business here as elsewhere while generally profitable to themselves were not conducive to the best commercial interests of the place. They have been either expelled from the country or interned in the military barracks here while their affairs have been wound up by what is known as "The Liquidating Committee."

CORRESPONDENCE.

It has been the pleasure of the commercial agency in Trinidad to correspond and co-operate with Mr. E. H. S. Flood, Trade Commissioner to the West Indies, in all matters concerning the trade of this colony on which he has sought information. Many inquiries, etc., which previously would have been addressed to this officer direct now come through Barbados, and are answered from there.

CATALOGUES AND PRICE LISTS.

In the course of the year under review a considerable number of catalogues of Canadian goods, and trade newspapers have been received. The former are carefully filed at the agency for the inspection or use of those interested, the latter are placed on the table of the news room of the Chamber of Commerce, where merchants meet. It often occurs that the catalogues are unaccompanied by price lists and discount sheets, an omission that should be rectified. Prices current and trade reports are still noticeable by their absence. These apply more to the provision and lumber business in which fluctuations in value so frequently occur and have not the same special importance as formerly by reason of the large proportion of transactions in food-stuffs, etc., being now concluded by telegraph, but they are still regularly sent forward by the commission houses of Europe and America and are missed from Canada.

COMMISSION MERCHANTS.

In this connection it may be noted that, so far as the West Indies are concerned, with the exception of the provision trade there has hitherto been an absence in the Dominion of the general supplying commission merchants who for more than a century have operated so largely in Great Britain and the United States. They receive from correspondents here orders for every description of merchandise, which they collect from the various manufacturers and group in one invoice, bill of lading and shipment, attend to the financing of same, etc. These merchants as a rule are of considerable financial standing and are in a position to arrange credits and other facilities to reputable clients for mutual benefit. It is evident that the reliable agent on the spot is in a position as a rule to select the goods required to better advantage that can be expected by the dealer who sends orders from a far distance direct to a manufacturer whom, perhaps, he has never seen or is likely to see. The small commission charged—usually $2\frac{1}{2}$ per cent—has been proved by long experience to be well earned and well worth the paying. It may be with Canada that the volume of trade in miscellaneous articles has not been sufficiently large to lead to the establishment of such agencies, but that is a condition which is righting itself, perhaps not so quickly as one would wish, but still surely, and there would appear to be an opening for energetic firms with some capital on account of the dislocation of trade in Europe. On this subject some correspondence has been carried on with a firm in Montreal who state that they represent a large number of Canadian manufacturers and have a firmly established business of this description with South Africa which they are seeking to extend to the West Indies, and sought to be put in touch with a strong active firm here who wished to form permanent Canadian connection. It is interesting to note that one of the largest of our general importers, who handles almost every description of merchandise, has taken the matter up, and if, as the correspondents state, they have a thorough understanding of manufacturing and exporting conditions, and are equipped to handle all classes of Canadian goods, on a fair commission basis, success should result. The head of the firm referred to in this connection showed me one invoice from his New York commission agent embracing purchases from forty-eight different houses collected from various parts of the country and forwarded in one shipment. In the dry goods and hardware trade European credit at six months was formerly the almost universal custom, but this is now generally reduced to four months, while many purchases from the United States are now made at 30 and 60 days, documents against acceptance of draft.

MANUFACTURERS' AGENTS.

It should be mentioned that during the last two or three years many young firms of manufacturers' agents have been established. These to a certain extent have supplied the want, so often pointed out, of personal representation by commercial travellers from Canada although they can never quite take the place of the latter. These agents are keen on obtaining Canadian business, and the more reliable among them keep in touch with this office with the view of being placed in communication with those desiring such services as they can offer. In many cases desirable connections have been opened up. On the other hand certain irresponsible parties having neither capital, character nor experience have posed as manufacturers' agents, and have induced exporters in the Dominion to ship either to themselves or to equally irresponsible clients, goods of considerable value, the remittances for part or all of which are still lacking. Care should therefore be exercised in the selection of agents. Information as to financial ability and character of traders is sufficiently easy to obtain, and it has been therefore somewhat surprising to see the class of people who, with absolutely no credit in Trinidad, have secured it with such apparent ease abroad. Where reports under this head are not forthcoming at the usual inquiry offices, application may be, and occasionally is, made to this office. This is given to the best of knowledge but, of course, with the proviso that this office assume no responsibility, although exercising all due care.

THE DRY GOODS TRADE.

The dry goods trade of Trinidad is important, having an annual value, including boots and shoes, of about £275,000. It is mostly carried on in large departmental stores, more than one of which carries insurance on stock of over £100,000. Cotton piece-goods alone are imported to a value of £150,000, approximately: Apparel, £50,000 to £60,000, and boots and shoes, £50,000. Up to the date of the outbreak of war, Germany and Austria had a growing share in this trade. Since then Spain and Holland show signs of increase, but no movement is in evidence from Canada during 1915. Frequent interviews have been held with the leading dry goods merchants on this question and a readiness is exhibited to send a fair proportion of orders to Canada if a serious effort were made to secure them. At present the United Kingdom and United States practically hold the market between them, the former predominating. Every opportunity is taken of bringing this matter to the notice of Canadian manufacturers especially in view of present conditions which would appear to offer openings not likely to again occur. On all sides information is received of the present difficulty and delay in the execution of orders from the United Kingdom, and of the prompt efforts made by the United States to capture the trade. The presence of commercial travellers from the latter country was never more noticeable than in the year under review. As before stated, the official figures are not yet procurable, but there are indications that the revenue from dry goods will show no appreciable, if any, falling off. In some items, such as bedsteads, trunks, furniture, chairs, feather pillows, (spoken of as remarkably good) Canada has more than held her own, but the United States have shown vast improvement during the progress of the war in boots, silk, muslin, ribbons, merinoes and men's underwear, while in prints they hold a practical monopoly of the market.

The transshipment trade in dry goods continues to be large, and in the ordinary course of things must continue, owing to the proximity of the republic of Venezuela. There are a number of wealthy German firms in Caracas and the other cities of that country whose trade with Germany was very large. This trade is still continued to a great extent through neutral countries, but there has been an appreciable falling off, principally it is said to the advantage of the United States, to whom most of the trade seems to have gone.

TRADE IN MISCELLANEOUS ARTICLES.

In hardware, merchants have complained of the serious delay in the execution of orders from England, leading to a diversion of business to the United States, but in such items as brooms, brushes, paints, nails, etc., Canada has regained some of her former trade.

Cordage and twine is an article in which experience has proved that Canada can compete to advantage in quality and price, but the trade does not improve as one would expect. The preferential duty of 2 per cent does not appear in any way to affect the proportion imported from the United States.

At one of the stores some quaint jewelry in imitation of cacao pods and other tropical fruits was noticed. These find a ready sale in the tourist season—unfortunately a thing of the past for the time being. One of the most popular curios purchased by the stranger is “made in Canada.”

DRUGS.

Another item in which the war has diverted the direction of trade is drugs. It is now difficult to obtain either drugs or medicines from Europe, and these as well as chemicals, pharmaceuticals and essential oils are now mostly procured from Canada. Canadian proprietary medicines have also exceeded the sales of former years. The principal wholesale importer states that prices are about the same and in some cases cheaper, as in New York, but the preference is given to Canada. His firm are Government contractors and fill the contracts with Canadian goods. On the whole he was of opinion that Canadian proprietary medicines, essential oils, etc., outclassed those of the United States.

MUSICAL INSTRUMENTS.

Still another trade influenced by the war is that of musical instruments, of which the sale in this colony is by no means negligible. This office was lately able to influence the principal dealer to buy goods from Canada, and he is well satisfied with the change from Germany. There is an opening at present for the supply of small musical instruments, such as accordions and concertinas, which hitherto have come solely from Germany, and a trade inquiry is being sent forward in this respect which it is hoped will meet with early response.

Cycle accessories have also become difficult to obtain.

BRITISH COLUMBIA LUMBER.

This office has been favoured by the Acting Chief Forester of the Forest Branch, Victoria, with much information and literature regarding British Columbia woods, of which he has sent some very fine samples for exhibition at this agency. This lumber has been shown to those interested and, having regard to the depreciation in the quality of the hardwood timber imported of late years from the United States, there seems every prospect, other things being equal, that a considerable trade will develop in the British Columbia woods so soon as the route via Panama is permanently open. Dealers raise one question, viz: as to the capacity of these woods to withstand the insects of the tropics. Time alone can decide that, but there seems no reason why they should be more susceptible to attack than either the yellow pine of the United States or the white pine of eastern Canada. This agency has supplied lumber exporters at Victoria, etc., with full particulars of the trade, and more than one state, as soon as shipping conditions allow, trial shipments will be made. For the present, of course, no firm quotations c.i.f. can be given, but a small consignment which came through just before the canal closed seemed to give promise that the cost when the trade is properly worked up will not be prohibitive.

IMPORTATION OF FOODSTUFFS.

In spite of the war, business in imported foodstuffs has been normal, with a gratifying increase in much that comes from Canada. This is most marked in butter, cattle food, fish, flour, dried meats, condensed milk (from £1,114 to £3,563), and soap (£1,298 to £4,164). The marked advance in milk and oats is gratifying as these are items the apparent neglect of which has been evident for some years, but there is still scope for improvement as the total imports of the former are about £45,000 and of the latter £40,000.

CAR REQUIRED IN SHIPMENT OF OATS.

Canadian oats were imported in fair average quantity. An unfortunate dispute arose between a well known firm of shippers and equally well known importers here regarding the quality of a large consignment which it was stated was not marketable at current rates owing to the presence of a certain quantity of other products of inferior nature, mostly low grade barley. The contention of the shippers was that these oats were the ordinary third class quality as known in the trade, while the consignees argued that they ordered oats, not barley, but fortunately a compromise was affected. Both parties had referred the matter for the opinion of this office which was happy to exercise such influence as possible in favour of an amicable agreement. It is well, however, that exporters of oats should bear this question in mind, and by care in forwarding samples, or otherwise, avoid the chance of a recurrence of this dispute.

PULP AND PAPER.

Pulp and paper companies of the Dominion have not in the past shown much interest in this market. An endeavour has been made, however, to influence orders from newspaper proprietors and others in the direction of Canada, not altogether without success.

MOTOR VEHICLES.

Here as elsewhere mechanical traction is rapidly superseding that of the animal. A large and increasing number of automobiles for private use and hire is being purchased, mostly from the United States. The use of the Victoria and the buggy have decreased and sales of these can no longer be looked for. The use of motor vans and trucks is also growing.

THE EXPORT TRADE.

As previously intimated, the export trade during 1915 was a flourishing one both in respect of quantity of produce shipped and in prices obtained. Of the principal staple—cacao—there were shipped 45,869,353 lbs., a decrease as compared with 1914, a record year, but much above the average, whilst prices ranged from 40 to 50 per cent above those of 1914. The sugar crop amounted to 58,822 tons, the largest since 1906, with equally remunerative prices as in the case of cacao. 15,000,000 coconuts were shipped from the colony at the high value which has rendered this industry so unusually prosperous during the last few years. Copra to a weight of about 4,000,000 lbs. has also found an excellent market abroad, whilst large quantities of coconut oil have been manufactured to meet the local demand among the East Indian population. The high hopes entertained some years ago regarding rubber, have not materialized. This is partly due to the fact that a variety unsuitable to this country, viz.: the *Castilloa*, was planted. Much of it has now been abandoned. *Hevea* gives better promise, but unfortunately was not except in a small measure, the quality selected for planting. But such of it as there is, in the more humid districts, is giving a good return. At present, however, shipments are very limited, and it will be years, if ever, before rubber becomes an appreciable item of export.

DEVELOPMENT OF OIL FIELDS.

Great progress has been made by the important oil companies who with ample resources financially, the benefit of experience elsewhere, and the best expert advice.

are rapidly pushing the industry to the front, and it would seem that there is a fair probability of this being before long one of the foremost oil exporting centres, as it has so long been of asphalt. One of these companies has, at a large expense, established its own deep water shipping place which is connected with a pipe line laid to the oil field 20 miles away, and is now in a position not only to give oil fuel to the practically an unlimited output, which is also available for export or for fuel purposes. increasing numbers of steamers requiring it, but to load cargoes of crude oil, up to large sums of money in the development of their extensive property, and now control practically an unlimited output, which is also available for export or for fuel purposes. They have also erected a refinery, from which the best results are confidently anticipated. Another concern, which has now been operating a refinery with success for some time, is selling locally and exporting in quantity gasoline, kerosene, and lubricating oils.

THE ASPHALT INDUSTRY.

The asphalt industry which seemed paralyzed at the outbreak of hostilities in 1914, has been recovering slowly but surely, and shipments to the United States have become nearly normal. 111,000 tons against 123,000, the greater part of which was shipped before August, 1914, went principally to the United States in 1915, thus relieving the Trinidad Government of anxiety as to the heavy loss anticipated in revenue by the falling off in royalty and export duty on this product.

RUM EXPORT.

A marked feature in the exports of 1915 was that of rum. Hitherto it has not been profitable to manufacture more than the quantity required for local consumption, but the requirements of troops in the trenches for this spirit led to a demand which fortunately British plantations have still been able to supply.

EXPORTS OF SUGAR TO CANADA.

Exporters of sugar were seriously concerned over the correctness of the samples of the No. 16 Dutch Standard upon which the duty on sugars imported into Canada was tested. It was asserted that those used in 1915 by the Canadian Customs were darker than previously with the result that the No. 16 complained of was as dark as the former No. 14. As a consequence, it was stated, that grey crystals of normal colour which had hitherto passed at the duty imposed on No. 16, were shut out, the extra duty amounting to 56½ cents per 100 lbs. The matter was brought before the Chamber of Commerce who requested this office to take it up with the authorities in Canada, this fact being one likely to most adversely affect our trade. The standard was adjusted to the satisfaction of those interested.

EFFECT OF PANAMA CANAL.

The permanent opening of the Panama canal is certain to have much effect upon the direction if not the volume of trade of the British West India Islands, particularly of Trinidad, by reason of the large and absolutely safe and hurricane free harbour, and of her large and in some respects unequalled products. Already, before the present closing of the canal route, a cargo of 2,400 tons sugar had gone direct to Vancouver, and there can hardly be a doubt that as soon as normal conditions are resumed, and shipping is once more abundant, the whole west coast of North America up to British Columbia will probably take advantage of the direct means of communication which have hitherto been confined to the western seaboard.

REDUCTION OF CABLE RATES.

The substantial reduction in cable rates, especially in the low charge for deferred messages, in place of the high charges, except in important matters, hitherto obtaining, has been a great help to commerce, and has led to the extensive use of the telegraph, both for ordering goods and for remittances.

FLUCTUATIONS IN EXCHANGE.

Fluctuations in exchange, although to be expected as incidental to the war, have led to some confusion and, in the case of Canadian exporters to loss. This has happened in the case of drafts the amount of which, collected here, has had to be remitted back. At one time drafts on New York or Canada stood at 7 per cent premium. This is now reduced to 1 per cent, but, to be on the safe side, it is well that exporters of produce who, as a rule, draw on the Trinidad dealer should stipulate that the drafts be redeemed at par rate of exchange at date of payment. The absence of this precaution has cost more than one exporter a substantial proportion of the anticipated profit.

STEAMSHIP SERVICE.

The Canada and West Indies Mail Service as carried out under contract between the Canadian Government and the Royal Mail Steam Packet Company, has proved an unqualified success, both from the point of view of cargo and passenger service. The fine steamers employed have run well up to schedule time, and in all respects have given satisfaction. They are more than ever appreciated now that, owing to the calls upon the company by the Imperial Government for so many ships of the Royal Mail fleet, the ocean contract to Great Britain and the Intercolonial Service have been discontinued, for under a new arrangement, the Canadian contract steamers now call both on the outward and homeward routes at the islands which were served by the Intercolonial boats, thus avoiding an interruption of the trade which for so long has proved mutually advantageous.

CLIMATIC CONDITIONS.

The rainfall and weather generally during 1915, were most favourable not only for the existing conditions but as regards prospects of crops for 1916. Everything indicates that the coming year will yield even better results from the soil than the year just completed.

CHINA.

REPORT OF TRADE COMMISSIONER.

(*Mr. J. W. Ross.*)

SHANGHAI, December 31, 1915.

ANNUAL REVIEW.

In presenting a review of the work of the Trade Commissioner's office in Shanghai for the year 1915, attention should be called to some of the peculiarities which distinguish this office from almost all others in the Canadian Commercial Intelligence Service, and in giving an outline of the duties of the Trade Commissioner to China it is well to point out that this country is quite unlike any other in its commercial relations with foreign nations.

DESCRIPTION OF THE TERRITORY.

It is hardly necessary to mention what is well known to all, that China is one of the largest political divisions of the world, and has the greatest population under one government of all countries. Its most northerly point is about 53 deg. 30 min. north latitude, while its southern extremity, the island of Hainam, is in latitude 18 north. From west to east it extends over more than 60 degrees of longitude (from 74 degrees to 135 degrees), and following upon the British Empire and Russia, China ranks next in area of territory, and has a greater population than either. Roughly speaking the land area comprises 4,300,000 square miles and has an estimated population of between 300,000,000 and 400,000,000 people.

In this large territory here outlined there are only forty-seven so-called open or treaty ports; that is, there are only that number of points at which foreign merchants

are permitted to reside and to do business. Few as these ports comparatively are to the great extent of the country and its population, in many of them foreign traders or merchants have not as yet established themselves.

These forty-seven open ports are located in different parts of the country, and each is concerned in the trade peculiar to the locality, and which comes under the cognizance of the custom house established in the port.

KNOWLEDGE REQUIRED.

It is obvious that unless the Trade Commissioner is sufficiently familiar with China and the geographical location of the different open ports, and of the distribution of the numerous products peculiar to the country, he cannot be in a position to write intelligently upon them.

It is therefore necessary that he should be acquainted with the position of the several provinces and their capital cities and chief towns, and also with the various routes of travel either by rail, water or cart, as well as with the chief products of every province, which may be grain, wool, hides or bristles in the North; or silk, tea or cotton in the Yangtze valley; or the tropical products of Southern China.

He must also have a clear knowledge and understanding from personal observation and contact with the manner in which the foreign trade of the country is conducted, the system and position of native compradores, the selling and distribution of foreign goods, and the buying of native products.

It is also desirable that the Trade Commissioner should be a student of the political movements within the Empire, and closely follow the developmental changes which are constantly going on, and keep himself well informed upon all events occurring about him. He must also be familiar with financial conditions, the revenues, and also the loans which are being issued from time to time, and what concessions are being granted in connection therewith.

All this requires more or less constant study and attention, but without the knowledge so acquired it is quite impossible to prepare a correct or authoritative trade report.

It is also to be stated that while almost every other country has copious and exhaustive customs and other trade returns, which are available to any one interested therein, those furnished by the Chinese Government consist only of the returns made by the statistical secretary of the Foreign Customs Information upon other points must be gleaned from all manner of sources.

DUTIES OF THE TRADE COMMISSIONER.

The functions of the office of the Trade Commissioner to any country mainly consist in reporting to the Trade and Commerce Department anything which comes under his attention respecting the trade of the country in which he is stationed; the annual value of the trade both in imports and exports; the increase or decrease of each specific commodity in which Canadian merchants or manufacturers are likely to be interested; the activity of other nations in respect to the trade of the country; and to point out the lines of Canadian goods which are likely to meet with a demand; and to discover what government or other contracts are going and report the same; also to report upon the internal conditions of the country; the extension of new railway lines; the state of the crops and harvests; the prices of leading commodities; the imposition of new taxes or dues, etc.; and of external affairs the extension or withdrawal of shipping lines; and in China at least the question of exchange demands considerable attention.

In addition to reports regularly submitted to the Government as above, no less important are the many replies to be made to inquiries from private individuals and firms, requesting that they be put in touch with interested parties in China, or seeking information as to possibilities of trade. Such inquiries comprise a wide range of subjects, both in respect to the exportation of Canadian goods to China or the importation of Chinese products into Canada, a review of which will follow.

The office of the Trade Commissioner also fills several other functions, and during the past year was concerned with the following:—

Giving letters of introduction to visitors from Canada to business men, British Consuls and others in China.

Replying to inquiries from other ports in China upon many subjects.

Giving advice to prospective settlers in Canada and explaining land regulations, etc.

Making inquiries after property in Canada, in which residents in China are interested.

Writing letters upon the question of alien enemies and trading with the enemy.

Seeking for lost relatives in China.

Arranging for passports for Canadians travelling in China, and upon many other subjects.

A good deal of attention has also been given to the question of Chinese students going abroad to complete their education.

THE YEAR 1915.

Reviewing the year month by month the following will show in what manner the Trade Commissioner has occupied his time. The number of letters sent out include those to the Department of Trade and Commerce, replies to individuals and firms in Canada, and local letters.

January—

Letters and inquiries received..	30
“ “ despatched..	66
Trade interviews during the month..	24

Inquiries in January were upon the following subjects:—

From Canada:—Jams and jellies, provisions and stores, screws and bolts, hoisting machinery, pulleys, beer, asbestos, tinned milk, beaver board, paving blocks, motor trucks, fare boxes, printing ink, barrel staves, and general machinery.

From China:—Essential oils, emigration to Canada.

In practically all cases the interviews which are recorded were in respect to the above inquiries, to obtain information to submit to each correspondent.

February—

Letters and inquiries received..	21
“ “ despatched..	25
Trade interviews during the month..	16

Inquiries in February related to the following:—

Concrete machinery, mattresses and bedding, steel and iron, emery wheels, rubber boots, British Columbia products, steel bars, marine pumps, household stores, and tinned provisions.

March—

Letters and inquiries received..	57
“ “ despatched..	74
Trade interviews during the month..	27

Inquiries were upon the following subjects:—

From Canada:—Creosoted railway sleepers, advertising agency, carriages and wagons, asbestos, cheese, fire bricks and clay, carbide of calcium, boards of trade, electric cookers and heaters, boots and shoes, paper, tinned milk, and fresh eggs.

From China:—Essential oils, Manchurian corn, raw silk, lost baggage, British Consul at Dairen, eggs from China, and three letters of introduction.

April—

Letters and inquiries received..	46
“ “ despatched..	32
Trade interview during the month..	34

The subjects of letters of inquiry were:—

From Canada:—Barrel staves and headings, tinned provisions, lumber, nails and wire, tinned milk, fish, beer, hoisting machinery, ship-building, forging and metals, flour milling machinery, and paper.

From China:—Reeds and rattans, Chinese students, hair nets, advertising in the “Far Eastern Review”, Soya beans, fresh eggs, and bean oil.

May—

Letters and inquiries received..	29
“ “ despatched..	41
Interviews upon trade during the month..	31

Inquiries in May related to the following:—

From Canada:—Paper, boots for Russia, paints and oils, biscuits, tinned vegetables, electric devices, handles, chains, timber, wall-board, clothing, British Columbia timber, and China's railways.

From China:—Hair nets, tinned chicken, plants and shrubs, bristles, and bamboo fibre.

June—

Letters and inquiries received.. . . .	31
“ “ despatched.. . . .	64
Interviews upon trade during the month.. . . .	27

Letters of inquiry were upon the following subjects:—

From Canada:—Steel bridges and steel construction, calcium carbide, timber, old iron and scrap, postage stamps, building material, steel furnishings, gasoline engines, closet seats, and wooden ware.

From China:—Ground nuts, fire crackers, customs duty, and Chinese students.

July—

Letters and inquiries received.. . . .	45
“ “ despatched.. . . .	32
Interviews during the month.. . . .	40

The subjects of inquiries this month were:—

From Canada:—Apples, straw-braid, timber, ginseng root, wood exhibit, and household stores.

From China:—Iron and steel billets, sharks fins, antimony, straw-braid, Canadian customs invoice forms.

August—

Letters and inquiries received.. . . .	43
“ “ despatched.. . . .	53
Trade and other interviews.. . . .	35

Inquiries were upon the following subjects:—

From Canada:—Tobacco, blankets, electric and gas cooking stoves, trade journals, railway ties, beer, tinned provisions, and milk.

From China:—Peanuts, ore for smelting, aluminium scrap, and hair nets.

September—

Letters and inquiries received.. . . .	38
“ “ despatched.. . . .	58
Interviews upon trade, etc..	34

The subjects of inquiry were as under:—

From Canada:—Timber, tea, soap and other boxes, condensed milk, railway sleepers, salted fish and underclothing.

From China:—In re property of a deceased relative in Canada, export of poultry to Canada, property at Edmonton, tenders for steel construction, lost baggage recovered, and tenders for railway sleepers.

October—

Letters and inquiries received.. . . .	38
“ “ despatched.. . . .	34
Trade and other interviews.. . . .	36

Inquiries were in relation to the following:—

From Canada:—Pianos, beer, timber, tea boxes, paper, beaver board, tinned milk, provisions, bifocal lenses, ginseng root, and eggs.

From China:—Bristles.

November—

Letters and inquiries received.. . . .	28
“ “ despatched.. . . .	33
Trade interviews in November.. . . .	28

Replies in November were in respect to the following subjects:—

From Canada:—Well-boring machinery, trading with the enemy, salted fish, timber, machinery, railway sleepers, railway torpedoes, electrical goods, sheet metal goods, and galvanized wire.

From China:—Land regulations and land values in Western Canada.

December 23, 1915—

Letters and inquiries received to date.. . . .	20
“ “ despatched.. . . .	33
Trade and other interviews.. . . .	21

Inquiries were upon the following subjects:—

From Canada:—Outlook for railway cars, ditto for Canadian machinery, Chinese exports, electrical goods, iron tubing and pipes, safety razors, wooden ware, timber, household stores.

From China:—Tenders for locomotives.

As fully 95 per cent of all inquiries were received from correspondents in Canada, and practically none upon trade questions from individuals in China, it is gratifying to know that considerable interest is thus shown by Canadian merchants and manufacturers in the markets of China as a field for commercial expansion.

MONTHLY REPORTS.

Concurrently with the foregoing, during the year regular monthly reports were made to Ottawa and were published in the Weekly Bulletin issued by the Department of Trade and Commerce.

In connection with these reports the difficulties may be pointed out which are experienced in obtaining authoritative statistics from any published returns for, as already stated, very little of the kind is issued by authority of the Chinese Government. It is therefore necessary to be ever upon the alert to grasp even meagre items of information from any and every source, and to carefully scan the foreign papers and translations from the native press for trade items of interest.

The reports submitted were as follows:—

Report No.	Date.	Subject.
573	January 18..	China's trade with countries at war. Germany's trade with China. Belgium's trade with China. Austria-Hungary's trade with China. France's trade with China. Cotton goods, sundries, metals and machinery. Opportunities for Canadian trade. German trade methods in China.
579	March 1..	Russia in the Far East. Russia's foreign trade. Russia's manufacturing establishments. Russia's commercial expansions. Russia on the Pacific. Siberian trade. Railways and steamships. The port of Vladivostok.
582	March 22..	Foreign trade of China, 1913. Foreign returns for 10 years, 1904-1913. Distribution of foreign trade. Great Britain leads all countries. Shipping and tonnage dues. Principal articles of import. Manchester goods, metal and machinery. Kerosene oil, cigarettes and flour.
586	April 19..	Foreign trade of China, 1914. The war and trade. Tea and silk. A boom in shipping. Piece goods trade. Metals and machinery. Timber, flour. Silver and exchange. General review.
590	May 17..	The export trade of China. Silk, tea, beans, bean oil, bean cake. Hides, skins and furs. Straw-braid, bristles, human hair. Sesamum seed, rape seed, cotton seeds and oils of the same. Ground nuts, and ground-nut oil. Eggs, egg albumen and yolk. Wool and camel hair. Antimony and tin.
595	June 21..	Canadian export trade with China. Textiles, metals and minerals. Fish and fishing products. Flour, machinery and parts. Milk in tins, tinned vegetables and fruits. Lumber, paper. Silver bullion.

MONTHLY REPORTS.—*Continued.*

Report No.	Date.	Subject.
599	July 19..	Business methods in China. The foreign merchant, treaty ports. The Chinese consumer of foreign goods. Foreign goods in the interior. The Chinese comprador. Knowledge of the language an advantage. Timber trade, railway sleepers. Box shooks, flour, and customs tariff.
603	August 16..	China's tea industry. The tea trade of 1914. Black teas, exports for 5 years 1910-1914. Black teas, distribution of by countries. Russia and Great Britain greatest consumers. Unfamiliar names of China teas. Green teas, exports for 5 years 1910-1914. The future of tea, and factors to be considered.
607	September 13..	Revenue and expenditure of China. Income for 1915. Land tax, native customs. Salt gabelle. Foreign customs, Likin. Chinese postal service.
612	October 18..	Outer Mongolia, treaty with Russia and China. Mongolian trade. Trade of the Harbin district of Manchuria. The fur trade, wheat and flour. Pacific Mail Steamship Company withdrawal from the Far East. Trading with the enemy in China. The reopening of Tsingtao customs.
616	November 15..	The timber trade in China. Total importations for 10 years 1905-1914. Canada's small share of the trade. Quality of timber, China grade. Specimen indent for a cargo of 2,500,000 square feet. Japanese and United States timber. The tea box trade. Photograph of patent tea box.
620	December 13..	Eggs from China. Sources of supply. Volume of the trade. Mode of packing for shipment. Fresh Eggs, albumen and yolk. Frozen eggs, Chinese preserved eggs.

Copies of tenders for the following were also sent to the Department during the year:—

Steel railway bridges.
Steel construction.
Railway sleepers.
Bridge-timbers and locomotives.

THE SHANGHAI OFFICE.

The Canadian Government has maintained a Trade Commissioner's office in Shanghai (the only one in China) for a number of years. In July of this year, after due consideration it was decided to move the location of the offices to other quarters than those then occupied. Very desirable and well situated offices were secured on the most prominent corner of Shanghai's busiest street. The present offices are a great improvement upon the former ones, airy in summer, well lighted, admirably situated, and easily found.

The offices proper consist of two large rooms. In the outer one are roomy book-shelves on which are placed the numerous trade reports and other blue-books regularly sent out by the Department as well as the trade and other catalogues which are con-

stantly being received. The typist's table and desk are also in this room, and here also has been placed the very interesting wood exhibit recently furnished by the Forest Branch of the Lands Department of the British Columbia Government, which will be referred to later on.

The other room is the Trade Commissioner's private office. In this room are the more important statistical and reference books. The Canadian newspapers and trade and financial journals are also here, spread out upon a large table available to all visitors.

CANADIAN NEWSPAPERS.

It may be stated that the Canadian newspapers have been greatly appreciated by many during the year; some of the papers are regularly passed on after being read, to Canadian residents in Shanghai.

Requests have also been received from some of the outports for a few copies to be sent there, and all visitors from Canada express their pleasure at being able to see a Canadian paper.

RESULTS OF THE YEAR'S WORK.

It may be confidently asserted that partly as a result of the year's work of the Shanghai office, Canada and Canadian products are better known and understood here than they have ever been. During the year several new lines of manufacture have been introduced and sold as the products of Canada. This applies to such articles as tinned milk, fresh butter, cheese, beer, paper, and carbide of calcium. These were in addition to the ordinary lines of products which have been sold in China for many years, such as flour, etc.

On the other hand it is regrettable to have to report that our share of the large import timber trade of China still continues to be a negligible quantity. It is not improbable, however, that this matter may soon receive more attention and some of the factors operating against the sale of Canadian lumber in this market will be overcome. The Trade Commissioner has made many reports upon this subject both to the Government at Ottawa and at Victoria, and to private individuals and firms in Canada. The British Columbia Government is also now taking up the matter of the export timber trade of that province very energetically. The very excellent and handsome exhibit of the different British Columbia woods which is on view in the office at Shanghai, and the many descriptive booklets sent out, are examples of their enterprise, and the efforts thus put forth must in the end bear fruit.

FUTURE OUTLOOK FOR CANADIAN TRADE.

No one who has made any study of China and the Chinese, or of trade statistics, should fail to be impressed with the great commercial possibilities which are latent within the Chinese Empire. The foreign trade of China is only 6s. per capita of the population, which is the lowest of all civilized countries, and notwithstanding much political disturbances within the country during the past four years, there are still ample signs of progress being made. China has suffered very little from the war, and although trade fell away somewhat in 1914 over the previous year, it was still in excess of that of 1912. The internal trade of the country during the present year has been in an extremely flourishing condition, but foreign trade has been hampered by the lack of tonnage facilities.

The Pacific coast of Canada is in an enviable position in respect to the Chinese trade. This should be a natural market for many lines of Canadian products and manufactures, and Canadian shippers and exporters would do well to study China more closely. Other nations have not had any doubts upon the subject, the Germans counted much upon China in their trade calculations, and at the present moment the United States are exploiting this market as never before.

Some of the commodities which China will require and which Canada should be in a position to supply are the following:—

Timber, flour, fish, structural iron and steel, steel bridges, machinery, electrical machinery, locomotives, railway cars, railway sleepers, and paper. There will probably be a demand in China for all such for many years to come.

THE BRITISH IN CHINA.

The year has been distinguished by great patriotic activity among Britons in China. The war has been the means of arousing their national spirit to a point—as stated in the press—never before equalled.

Funds of every description have been organized and liberally supported.

On February 9 a meeting of British subjects in China was assembled in the town hall, and a branch of the league of Britons Overseas was formed. At this meeting as many portions of the Empire as possible were represented, the Trade Commissioner being the representative of Canada. This league of Britons Overseas, which has been formed since the beginning of the war, has branches in nearly every foreign country wherever Britons are to be found.

During the year an all British Chamber of Commerce was started in Shanghai in distinction to the old Shanghai General Chamber of Commerce which included representatives of all nationalities. The object of the chamber is to promote distinctly British trade both home and colonial in China. The Trade Commissioner has been asked to take an active part in the work of the chamber.

CONCLUSION.

Before closing this report the Trade Commissioner wishes to express and put upon record his thanks and the sense of obligation, which he feels towards the British Consul General and Consuls in Shanghai, and to H.B.M. Commercial Attaché in Peking and in Shanghai, and to other British Consuls in China for their uniform kindness and courtesy on many occasions, and for much help in the way of letters and information and advice upon many subjects during the year.

FRANCE.

REPORT OF COMMISSIONER GENERAL.

(*Mr. Philippe Roy.*)

PARIS, January 24, 1916.

EFFECT OF WAR ON TRADE CONDITIONS.

The remarkable development of Canadian exports to France, as shown by the report of trade and navigation returns of the Customs Department for the fiscal year ended March 31, 1915, in spite of the steady rise in freight rates and the scarcity of transportation facilities, clearly shows the trade possibilities between the two countries. It is true, quite a proportion of the Canadian exports to France is due to the effects of war conditions upon the industrial activity and general productive power of France, but it appears likely that for several years following the end of hostilities, excellent opportunities will offer for the export of such Canadian staples as lumber, cereals, flour, frozen meat, cattle, hams, lard, canned goods and other foodstuffs, cotton goods, and various special iron and steel products.

The exports to France for the fiscal year 1914-15, comprising eight months of warfare, amount to \$14,595,705, against \$3,810,562 during the previous fiscal year. On the other hand, owing to the perturbed state of the economic life of France, due to the mobilization of the greater part of the male population for active, auxiliary and munition service, and the effect of the policy of retrenchment adopted in Canada, as elsewhere, on the French export trade, consisting so largely of luxuries and high-priced goods, French exports to Canada fell off from \$14,276,535 in the fiscal year 1913-14 to \$8,449,186 in 1914-15.

WAR CONTRACTS.

After active negotiations with the authorities, in the early part of the war, the French Government appointed the Hudson Bay Company to act as general purchasing agents in Canada on behalf of the War Department.

At that time, a large number of offers of war material and supplies received from Canadian concerns had been referred to the proper authorities, but without apparent result in many cases owing to the absence of samples based on French army specifications, prices being quoted in most if not all cases f.o.b. point of shipment or seaboard, and the competition of agents and middlemen from the United States of America who were on the ground, with samples, properly authorized to sign contracts. In view of these circumstances, each inquiry was also communicated either to French inquirers for the same article whose names were on our card index files, or to dealers who appeared likely to show interest.

Several representatives of Canadian industrial corporations, and London agents of other companies who had communicated with this office also came to France to ascertain trade possibilities. Two Canadian corporations, which had been put in touch with a commission agent having good connections on the French market, well acquainted with Canadian business, were successful in securing contracts immediately. One company obtained an order for several thousand armoured railway cars, another accepted several contracts for barbed wire and other metallurgical products. Further orders could have been secured during the course of the year, but were refused because of advance orders previously accepted and transportation difficulties. At the time, a coal shortage was anticipated in the early spring, but orders could not be accepted on account of the difficulty of chartering tonnage at a rate to meet the ruling price of coal on the French market.

A concern which manufactures locomotives was offered a substantial contract for narrow-gauge locomotives, but could not accept it because the delivery clause was considered too short.

Several saddlery manufacturers secured orders through the purchasing agents of the French War Department in London. The representative of a company manufacturing motor trucks, who spent some time in Paris, and was afforded every facility to secure business, obtained a fairly large order as soon as he was in a position to submit a sample truck. A large canning firm which had been in communication with the office and advised to get in touch with the Hudson Bay Company, when this became possible, was given a contract for several million pounds of a tinned vegetable mixture, in the early fall.

Representatives of several boot and shoe factories and of an export syndicate formed for that purpose came to Paris in the hope of securing a contract with the War Department. They were given active assistance, but owing to the fact that for some time after the opening of negotiations they could not submit samples based on the French army specifications, the matter could not be closed. During that time it is said that several large orders for army boots were placed by the French War Department in the United States and England, but when Canadian manufacturers were in a position to submit satisfactory samples, which were declared to be excellent and the price considered fair, the French Army Purchasing Bureau stated that it had been possible

to organize the French shoe industry in order to permit it to supply the quantity of boots required by the army. No further orders were placed abroad and it was ascertained from time to time since last summer that the French industry was in a position to fully meet the requirements of the army in this respect.

However, several small orders for rest shoes were given out to representatives of Canadian factories by some of the purchasing officers of the Army Reserve Depots in various provincial districts, until the initiative for all purchases of army boots was put into the hands of the General Purchasing Bureau of the War Office. One Canadian manufacturer also secured some business from wholesalers in the provinces and some of the large retail stores in Paris during the fall.

During the short period of time, in September last, when the French War Department expressed a desire to consider direct offers from Canadian producers, especially of foodstuffs, a fairly large offer of flour, amounting to several thousand tons, submitted on behalf of a well-known milling corporation in Montreal, was accepted by the "Ravitaillement" Inspection Branch of the War Office. It appears likely that further quantities may be purchased in Canada through the general purchasing agents, especially of the lower brands of flour, if Canadian mills are in a position to supply them, as they are better suited to army baking methods.

Two orders were secured at the beginning of the winter from the General Purchasing Branch, one for a large quantity of socks submitted in the name of a Montreal wholesale firm, the other by a representative of a large textile corporation who came from London to submit proposals, and was put in touch with the proper officials with the result that fairly large order for undergarments was obtained.

It has not been possible to ascertain exactly the volume of the purchases made by the French Government in Canada, but the export statistics clearly indicate that they have been important.

LUMBER.

A large number of inquiries concerning lumber came to hand last year. During the course of the year, a very elaborate and interesting exhibit of British Columbia timber was received from the Lands Department of British Columbia and set up in a convenient place in the office. This exhibit proved very attractive to local inquirers who applied to be put in touch with producers of Canadian lumber.

A memorandum descriptive of the characteristics and qualities of the principal British Columbia timber varieties, Douglas fir, hemlock, red cedar and spruce, was also received; a translation was prepared and transmitted to the principal railroads, to the Chambers of Commerce of the largest cities in France, and to inquirers to be found on the card index files, as well as to the most important wholesale lumber dealers and brokers throughout France. This produced a very fair number of favourable replies, which were communicated in turn to all inquirers for openings on the French market who wrote from Canada. The Paris Syndicate of Lumber Importers and the Floor Makers Association were also approached, and expressed their willingness to discuss terms with Canadian exporters. They also communicated tables of lumber sizes generally used in the trade, which were inserted in Weekly Bulletin Nos. 600 and 601, pages 200 and 265.

Several lumber dealers came to Paris in the spring and summer and were given an opportunity of meeting the proper officials of the large railway systems, as well as dealers who were in touch with the office. As a result, at least one of these firms, from Eastern Ontario, closed several sales of spruce deals for delivery at Saint-Nazaire with a wholesale concern in Nantes. The same firm cabled an offer of railway sleepers which was examined by several French houses, one of which had found an opening on the Italian market, but the delivery price at Genoa was found to be too high owing to the excessive freight rate, as Spain could supply oak ties at a much lower figure. Lack of transportation facilities also prevented a contract for a large quantity of fir or pine telegraph and telephone poles, between a Vancouver concern which had submitted an offer of fir and cedar poles and a Paris broker, who had found a market and inquired for immediate quotations.

The question of railway sleepers was also the subject of a thorough inquiry, information being obtained from railway companies and traders to the effect that railroads so far had used oak and beech creosoted ties exclusively. Samples were requested, in order to permit the Roadbed Departments of French railroads to carry out tests, and these appear to be on the way now from British Columbia, following the visit in August of Mr. Macmillan, Special Trade Commissioner appointed by the Department of Trade and Commerce to investigate the opportunities offered to Canadian timber on the markets of the world. This gentleman was enabled to interview the Roadbed Engineers of the principal railroads, who expressed their willingness to test in a practical way the sleepers of Douglas fir which are on the point of arriving in France. This should result in some business, when transportation facilities improve, the Panama canal is once more opened to traffic, and freight rates become less excessive. A memorandum was also submitted to the War and Navy Departments of France by Mr. Macmillan, after an interview with the Commercial Attaché of His Majesty's Embassy, bearing on the agreement entered upon by the British Admiralty and the Government of British Columbia for the purchase of timber, in case the French Government should find it necessary at some future date to buy part of its timber requirements abroad. In this connection, two inquiries from the premier of British Columbia with regard to the rumoured purchase by the French Government of a large quantity of lumber in the Pacific Coast States, were fully investigated, but the French Government emphatically stated that up to the present it had been found possible to secure all the timber required from the state forests and it was not intended to purchase any out of France, at least for the moment.

Several inquiries regarding ready-made houses were also received and duly communicated to the Department of Trade and Commerce and several Canadian factories which had written to the office. Negotiations were also entered into by the "Secours National de France" with manufacturers in Canada, through the office, with the object of coming to an agreement on a model of a detachable house of several sizes which would eventually be purchased, in order to give comfortable temporary shelter, for a certain period of time, to the residents of invaded regions in France who will be anxious to return to their homes at the time the enemy is driven out of such districts. Canadian manufacturers appear to be in a position to submit convenient models at a satisfactory price, and no doubt a large order should be given by the "Comté du Secours National de France" at an early date.

There are apparently good reasons to believe the statement frequently heard that the stocks of merchantable lumber in France are rapidly becoming exhausted. In that event, as the former main sources of supply of imported lumber, Sweden, Norway and Russia, are practically cut off, it may be found necessary to import lumber from Canada, notwithstanding the prohibitive freight rates now ruling, which vary from 250 to 300 shillings per standard of 168 cubic feet.

CATTLE, MEAT, FOODSTUFFS.

Owing to the large consumption of fresh meat by the army and the destruction or requisition of cattle in the invaded parts of France, the rapidly decreasing size of the French cattle herd brought the introduction into the Chamber of Deputies of a Bill to allow the Government to import annually, during five years, a very large quantity of frozen meat, followed by a Bill to permit the Government to buy 100,000 heads of live cattle in French colonies and abroad, to feed the army.

A special Commission of investigation was appointed by the Minister of Agriculture to prepare a report for submission to Parliament, before which your Commissioner was requested to appear to supply information as to the possibilities of buying cattle in Canada, price, weight and other characteristics of the animals. The matter was also discussed in several interviews with the Chairman and Secretary of the Commission.

The Bill to authorize the importation of a stipulated quantity of frozen meat during five years was passed by the Chamber, but amended by the Senate and returned to the Chamber, where it stands in abeyance. The Bill respecting the importation of

live cattle was held up in the meantime until a decision was reached on the other proposal. However, the French War Department decided to make a trial and a large order for fat cattle was placed in Canada and the United States. The animals arrived in splendid condition during the summer and early fall, having actually gained weight on the trip, owing no doubt to special care. The results of this experiment were the subject of a report which appeared in Weekly Bulletin No. 602, page 330.

Numerous inquiries were also received for frozen meat, pork, hams, lard and other meat products. These were forwarded for insertion in the Weekly Bulletin and the inquiries were in every instance handed a copy of the Export Directory, to enable them to communicate at once with some of the principal producers. As a consequence, the number of inquiries received by several firms which had already established agencies in Great Britain, induced them to send representatives to this country and appoint agents. One large firm from Western Canada opened a branch depot and has kept several members of the firm on the ground to work in conjunction with its representative. Two other important firms, from Eastern Canada, also appointed agents here and a large canning corporation came to an understanding with an agent in Havre to become their representative in France. These negotiations have resulted in a very fair amount of business and promise to open a profitable market.

At the request of the Department, early in the year, the privilege was obtained for Canadian tinned salmon to come into France bearing the word "Canada" printed on the labels, instead of embossed or sunk in the metal of the covers, as provided by the French Act respecting the importation of certain canned goods. This privilege was granted in a temporary way, provided the goods were accompanied by a certificate of origin, but it is still in operation and must have been valuable to Canadian salmon canners in permitting them to export to France part of their catch of the previous year, the tins for which had been ordered before the French Act came into force, and consequently had not been stamped in accordance with the Act.

Upon representations made jointly with the British Chamber of Commerce, a ruling was obtained from the Customs Branch of the Finance Department in the Fall, to allow the entry into France of Canadian canned salmon and other articles mentioned in Schedule "A" of the Franco-Canadian Trade Convention, shipped via New York or a British port to France, without having to pay the transit surtax (surtaxe d'entrepôt), under certain conditions. These were fully explained in a report forwarded to the Department and published in Weekly Bulletin No. 623.

PROVISIONS.

Following an inquiry received from the Department concerning the possibility of selling eggs on the French market, a thorough investigation was carried out and the results published in Nos. 600, 601 and 602 of the Weekly Bulletin, pages 190, 258 and 322. It was ascertained from what sources, at what price and in what quantity eggs were previously imported into France, from October to February. The syndicate of wholesale dealers in butter and eggs at the Halles Centrales, or general market of Paris, was approached and a number of firms, as well as a few independent commission dealers, whose names were forwarded to the Department, expressed the wish to get in touch with Canadian exporters. Some reliable information concerning selling price, cost of transportation from the seaboard to Paris and incidental expenses in connection with the sale, was obtained. The price of eggs has remained high in Paris throughout the Fall, but so far it is not known if the negotiations which were doubtless entered into by Canadian exporters have led to business.

IRON AND STEEL.

Several of the large metallurgical corporations, after investigating the opportunities of the French market, following an exchange of correspondence with inquirers and commission agents who had applied to the office, appointed representatives in this city. Other companies, which already had agents in Great Britain or had opened offices in

London, sent representatives here to call on the trade, particularly on the railway companies, who were given every possible assistance to carry out their mission successfully. Several orders were secured and more would have been given, if the volume of business which had been accepted for months ahead had not prevented any new contracts.

One car manufacturing concern secured a fairly large contract for flat cars in the Spring from the management of the State Railway, in competition with several other tenderers, and again put in a tender in the Fall on specifications submitted by the P. L. M. (Paris-Lyons-Mediterranean) Railway to several factories, for a few thousand box cars, and secured the contract. All the Canadian companies which have agents or representatives, either in Paris or London, are now invited to tender on contracts let by all the large French railroads, for rolling stock and equipment.

Many inquiries reached the office during the year with regard to steel rails, structural iron and steel, sheets, tubes and other metallurgical products. When the enemy is driven out of the invaded regions of France and Belgium, it seems likely that the representatives of Canadian manufactures who are on the ground, keeping in touch with the trade, will have excellent chances of securing good business for their principals.

SUNDRY INQUIRIES.

An ever increasing number of inquiries were received from French sources during the year bearing on such articles as newsprint, woodpulp, paper, wrapping paper, mineral products, tin, nickel, lead, zinc, asbestos, mica, copper and brass and products of same, chemicals, canned and dried milk, meat extracts, tallow, fats, dry vegetables, butter, cheese, flax, hay, straw, rubber goods, woollens, leather, belting and leather goods, agricultural implements, machine tools, electrical and steam machinery, electrical household appliances, enamelled, tin and iron ware. These inquiries all appeared in the Weekly Bulletin, but in some instances it was found that the demand for some articles was such that Canadian producers could not cope with the whole of it, while in other cases the Canadian production of the articles was so small that it could not meet the competition of larger producers elsewhere.

A very large number of inquiries were also received from Canadian sources with the object of being put in touch with manufacturers of various French specialties, such as silk and silk goods, stockings, artificial silk, flags, perfumery, pharmaceutical products, brushes, hairs for the manufacture of brushes, brush handles, fly paper, mint products, rose oil, glazed and coloured glass, artificial eyes, ribbons, church ornaments, wire cloth, gold sheets, briar pipes, vinegar, wines, canned goods, plumbago, welding powder, machinery used in the manufacture of hair nets, of press buttons of wood wool, of brushes, machinery to dry fruits and vegetables.

Full information was obtained from a reliable source in trade circles and with one exception, it was possible to meet all the requests in a satisfactory manner.

In some respects the work of this office differs somewhat from that of other Trade Agencies. In the first place, since October, 1914, the Paris Agency of the Immigration Branch of the Interior Department has been transferred to this office and the heavy mail concerning colonization matters has been handled exclusively here. A very large correspondence is daily received both from Canadian and French sources, regarding matters which are not in any way related to commercial questions, but as to which information is requested and freely given, whenever possible.

In this connection, the Commissioner desires to acknowledge and express his appreciation for the unflinching courtesy which he has received at the hands of officials of the Dominion and Provincial Governments, municipal corporations, Boards of Trade and other commercial bodies, with whom he had occasion to communicate on questions coming within their respective spheres of action. The co-operation of the British Chamber of Commerce of Paris and its Canadian section has also been very valuable in promoting the interests of Canadian trade on the French market.

GREAT BRITAIN.

REPORT OF TRADE COMMISSIONER.

(Mr. J. E. Ray.)

BIRMINGHAM, January 4, 1916.

TRADE OF BIRMINGHAM AND DISTRICT.

All factories in Birmingham and district capable of manufacturing munitions of war have, during the past year, been utilized for that purpose; in fact, all manufacturing establishments with the necessary accommodation have been requisitioned, even though entirely new plants had to be installed. The whole of the mildand counties has been, and continues to be, a veritable hive of munitions production. Consequently, it is almost impossible to give a reliable report on the trade and commerce of the district such as one could compile in normal times. In relation to the district's purchasing power, however, which naturally effects both the home and import trades, one can state that the people were never in possession of so much money. Nor does there appear to be any tendency on their part to hoard money. They spend freely, and on the whole, judiciously. It is well known, for example, that the artisan classes are spending much money on furniture, musical instruments and household requisites; and although it may sound rather humorous, these same people believe that they are entitled to certain luxuries which their enhanced incomes command. Thousands of workpeople who were earning only \$6 per week before the outbreak of the war, are now receiving from \$15 to \$25 per week. Moreover, female labour which was always remarkably cheap in this country has in thousands of cases increased by over 100 per cent. These are all important factors to producers of commodities used by the masses.

NO STATISTICS AVAILABLE.

There are no statistics published by which one can illustrate the values of imports in this district. In the case of exports it is possible to trace with some accuracy the volume of business transacted by consulting the Board of Trade returns, because specific commodities are invariably produced in specific areas. But in the case of imports, which are distributed all over the United Kingdom, statistics practically lose their value after the goods have left the port of entry.

IMPORTS DURING 1915.

The main feature associated with the trade of the United Kingdom during 1915 (eleven months) is the remarkable increase in the values of imports. Compared with a similar period in 1914, they record an increase of £153,687,385, and with 1913, an increase of £85,021,002. The following table illustrates the values each month, and the increase or decrease compared with the corresponding months of 1914.

	Total Imports.	Increase or Decrease.
January	£ 67,401,006	—£ 604,003
February	65,268,814	+ 3,215,163
March	75,590,918	+ 8,643,603
April	73,768,288	+ 12,051,458
May	71,644,966	+ 12,545,676
June	76,117,797	+ 7,836,144
July	75,548,147	+ 16,171,663
August	69,496,695	+ 7,153,988
September	70,292,919	+ 25,286,312
October	67,792,557	+ 6,413,122
November	71,647,160	+ 16,129,030
Eleven months	£782,940,937	+£153,687,385 or 24·4%

EXPORTS DURING 1915.

The following table illustrates the values of British exports on the same period basis as above. It will be observed that during the last four months exports have assumed an upward tendency, and it is probable that a greater increase would be recorded but for the existence of an embargo on certain products and manufactures.

	Total Imports.	Increase or Decrease.
January.. . . .	£ 28,247,592	—£ 19,558,573
February.. . . .	26,176,937	— 15,084,860
March.. . . .	30,176,066	— 14,342,595
April.. . . .	32,169,733	— 7,777,089
May.. . . .	33,618,992	— 8,432,198
June.. . . .	33,233,568	— 6,639,408
July.. . . .	34,721,511	— 9,683,869
August.. . . .	32,438,855	— 8,227,584
September.. . . .	32,308,432	+ 5,634,331
October.. . . .	31,968,965	+ 3,867,150
November.. . . .	35,639,166	+ 11,037,547
Eleven months	£350,699,817	—£53,251,980 or 13·1%

IMPORTS AND THEIR RELATION TO EXPORTS.

The following statistics illustrate the trade balance for five complete years, and for the eleven month periods of 1914 and 1915.

	Imports.	Exports. (British.)	Excess of Imports over Exports.
1910.. . . .	£678,257,024	£430,384,772	£247,872,252
1911.. . . .	680,157,527	454,119,298	226,038,229
1912.. . . .	744,840,631	487,223,439	257,417,192
1913.. . . .	768,734,739	525,245,289	243,489,450
1914.. . . .	696,635,118	430,721,357	265,913,766
1914 (eleven months).. . . .	629,253,552	403,951,797	225,301,755
1915 (eleven months).. . . .	782,940,937	350,699,817	432,241,120

ANNUAL REVIEW OF THE WORK OF THE OFFICE.

This year's annual review of the work of the Birmingham office differs in some respects from that of the year 1914. During the latter year the European war had been in progress only five months, so that the disorganization of the world's commercial machinery, had not assumed the peculiar conditions which have since developed. In some respects, the normal trade of ante-bellum days between Canada and the United Kingdom has been adversely affected, due in a great measure to the existence of enhanced freight rates and dearth of tonnage; but in other respects, the Canadian export trade has been benefited by the increase of values and the inability of British importers to obtain supplies from the usual sources.

One important asset to the trade of Canada should be noted, as it is likely to prove of permanent value. British importers had been so long accustomed to purchasing their merchandise, particularly manufactured goods, from European countries, that they devoted very slight attention to Canada as a source of supply. It should be borne in mind, however, that had this attention been forthcoming, the majority of Canadian manufacturers were not in a position to compete with the products of European countries so admirably favoured with cheap labour and proximity to the British market. But conditions have now changed, and even after peace is restored, many years must elapse before the productive capacity of the belligerent nations assumes its ante-bellum equilibrium. Indeed, many students of the subject are of the opinion that the old labour conditions are gone for ever. A huge debt will rest on the shoulders of Europe, and in the discharge of it, the cost of all commodities will advance. As a consequence, it is fairly obvious that the labouring classes will demand higher wages to meet their increased liabilities.

Apart from any concessions Canada may enjoy in a possible trade treaty among the Allies in the future, the conditions already mentioned should appreciably contract the margin that previously existed between her cost of production and that of European countries.

The present, as well as the future situation has many aspects worthy of consideration, but as this report is merely a résumé of the duties discharged by this office during 1915, they cannot be dealt with *in extenso*.

CORRESPONDENCE.

The number of letters received from December 1, 1914, to November 30, 1915, was 1,168, and the number of those despatched 2,584. The subject matter of this correspondence relates almost entirely to trade and commerce. On the part of Canadian correspondents there has been a demand for prospective markets in Birmingham and district, and on the part of British correspondents, a demand for supplies of commodities from Canada.

INTERVIEWS.

The number of interviews held with business men was 302. The subjects discussed were similar in nature to those comprised in the correspondence. Many interviews have also been held with the principals of commercial houses in their own offices. If a Trade commissioner is in need of authentic information for his reports, or if he is desirous of furnishing Canadian exporters with full details of their competitors' methods such interviews are indispensable. Buyers cannot be expected to bring the information to one's office. At times, difficulty is experienced in obtaining interviews with busy men, but once the interview is granted, the information obtained is of much value, and it is always tendered with courtesy and willingness. This practice is so valuable that a Trade commissioner should visit mercantile houses in all the commercial centres of his district.

INQUIRIES FOR CANADIAN MERCHANDISE.

The number of inquiries for Canadian merchandise received from British importers and despatched to the Department of Trade and Commerce for publication in the Weekly Bulletin was 254, an increase of 124 over 1914. The goods inquired for were:—

Agricultural products.—

Wheat, oats, barley, maize, flour, peas, beans, hay, clover seeds, potatoes, hops.

Foodstuffs.—

Maple syrup, apples, pears, peaches, condensed milk, breakfast foods, canned meats, canned fruits, canned vegetables, lobsters, salmon, halibut, sardines, poultry, cheese, eggs, sugar, cider, butter, bacon, hams.

Manufactured goods:—

Wire nails, wire staples, nuts and bolts, screws, steel, iron, cotton and woollen underclothing, aluminum, brass globe holders, coppered wire, wood handles, dowels, skewers, washboards, wire rods, wire fencing, broom stocks, rope and string, webbing, agricultural implements, springs, household utensils, tools, broom heads, steel rails, buttons, pin wire, pianos, organs, accumulators, motor accessories, wood paving blocks, deals, pitprops, railway keys, rollingpins, twine, tubes, washers, rivets, bulls' eyes, bar iron, spelter.

Miscellaneous:—

Bran and offals, detonators, oilcake, oils, asbestos, slates and sheets, mica, picric acid, bronze powder, pumice stone, match splits, excelsior, scrap iron and schap brass.

DEFINITE RESULTS OBTAINED.

As reported in former years, there is difficulty in obtaining information regarding definite results. After the trade inquiries have been forwarded for publication in the Weekly Bulletin, Canadian firms interested are furnished with the names and addresses by the Department of Trade and Commerce, and a Trade commissioner seldom hears either from the Canadian exporters or British importers thus introduced. The number of Canadian firms furnished with the names and addresses was 154. It would encourage the Trade Commissioner, and probably enable him to render additional assistance, if Canadian exporters would report to him, confidentially, the result of the introductions. If the efforts to transact business have been unsuccessful, the causes might be frankly discussed in order to ascertain whether they are permanent obstacles, or surmountable by additional knowledge. Cases have been brought to notice in which a fuller knowledge of transportation facilities would have given to the Canadian exporter an extended margin in his quotations, and every business man appreciates the value of these minor advantages when confronted with keen competition.

The following are the only definite results that have been reported:—

Several apple importers state that they have made satisfactory arrangements with Canadian exporters.

Two firms have imported large quantities of eggs.

A Birmingham firm has arranged to represent a Canadian exporter of canned meats.

Several poultry salesmen have arranged for importations of poultry.

An importer of barley transacted business with an Ontario firm.

A Canadian rubber goods manufacturer has transacted business satisfactorily with several Birmingham firms.

A Birmingham importer of iron and steel manufactures was given letters of introduction to firms in Canada. On his return he stated that substantial orders had been placed.

A Montreal produce exporter introduced personally to firms in Birmingham states that contracts have been entered into.

A Montreal firm's representative was personally introduced to importers of iron and steel in Birmingham. He stated that several transactions had been closed which were likely to be permanent in character.

LETTERS OF THANKS FOR INTRODUCTION.

An examination of the correspondence of the office reveals 100 letters of thanks from Canadian exporters for introductions to British buyers, but no communications have been received from them regarding the result of the introductions.

REPORTS PUBLISHED DURING THE YEAR.

During the past twelve months thirty two reports have been forwarded to the Department of Trade and Commerce for publication in the Weekly Bulletin. The subjects dealt with were as follows:—

No. of Report.	Birmingham date.	Subject.
568	November 19, 1914.	New taxation in the United Kingdom. Shipbuilding in the United Kingdom. Imports of horses. The potato situation. Condition of timber trade.
569	November 25, 1914	Canadian eggs. Exports and imports of fish. Condition of leather trade. Development of dye industry.

REPORTS PUBLISHED DURING THE YEAR.—*Continued.*

No. of Report.	Birmingham date.	Subject.
570	December 7, 1914	Condition of British trade. Canadian imports. Irish potato crop.
571	December 3, 1914	Inquiries for Canadian commodities. Bristles. Salmon and halibut. Tanning materials.
572	December 15, 1914.	Canadian wire nails. Oats and barley.
576	January 8, 1915	British trade returns. Halibut and salmon.
577	January 19, 1915	Freights and labour shortage. Dye industry. Exchange with United States. State control of capital. Mutton and sheep imports. Beef and cattle imports. Food prices. Shortage of timber. Imports of horses. The Fisheries of England and Wales. Hay shortage.
580	February 8, 1915	Condition of British trade. * Imports from Canada. Effect of war on imports from Canada. Comparison of Canadian imports with British possessions. Exports to Canada. Condition of egg market. Demand for barley. Peas and beans. Maize.
584	March 8, 1915	Condition of British trade. Imports from Canada. Demand for firewood. Rails for steel cars. Wood paving blocks.
585	March 17, 1915	Imports of wood. Frozen meat industry. British Government and factories. The War Loan. Hay.
586	March 22, 1915.	Canadian merchandise required. Congestion at docks. Fish statistics.
587	March 31, 1915.	Demand for zinc. Inquiries for spelter. Shortage of steel. Rise in iron prices. Revenue statistics.
589	April 14, 1915	Imports from Canada. Paper. Iron and steel. Oak staves.
591	May 6, 1915.	Inquiries for wire. Loss in shipping.
593	May 13, 1915	Imports from Canada. Molybdenum. Employment of shipping.

REPORTS PUBLISHED DURING THE YEAR.—*Continued.*

No. of Report.	Birmingham date.	Subject.
594	May 20, 1915	Market for sausage casings. Cordage and binder twine. Steel and wire nails.
596	June 2, 1915	Condition of automobile industry. Wire and wire manufactures. Condition of iron and steel trade. Shortage of meat. Comparative prices. Beef and mutton imports.
597	June 15, 1915	Values of imports. Scarcity of antimony.
599	June 24, 1915	Condition of poultry industry. Demand for eggs. Grain and hay.
600	July 8, 1915	Trade of United Kingdom. Imports from Canada. Demand for oilseed cake. Demand for iron and steel. Street car rails. Agricultural returns. Revenue returns. Condition of cheese market. Trade inquiries.
603	July 27, 1915	Annual statement of British Board of Trade. World's zinc supplies.
605	August 6, 1915	Tool handles required. Apple inquiries.
608	August 31, 1915	Scarcity of hardware. Hardware goods. Scarcity of fodder. Beef and mutton imports. Inquiries for pianos.
610	September 13, 1915	Agricultural returns. High cost of bacon. Packing of wire nails. Various trade inquiries.
611	September 21, 1915	Demand for nuts and bolts. Demand for nails, screws and rivets. Demand for cheap glass. Wheat situation. Flour, barley, oats, maize and oil seeds. Trade inquiries received.
612	September 28, 1915	Inquiries for condensed milk, and milk powder. Market for buttons. Screws, nuts and bolts.
614	October 7, 1915	Inquiries for broom stocks. Revenue of United Kingdom. Condition of hop market. Small pickling onions.
615	October 11, 1915	Imports from Canada. Trade fluctuations. Iron and steel manufactures. Motor cars and tires. Current prices of iron and steel.
616	October 19, 1915	Shortage of peas. High cost of butter. Demand for hardware.

REPORTS PUBLISHED DURING THE YEAR.—*Continued.*

No. of Report.	Birmingham date.	Subject.
618	October 26, 1915	Trend of Imperial trade. Imports from British possessions. Imports of beef and mutton. Imports of horses. The hop harvest.
620	November 18, 1915	Increase of Canadian imports. Decline of exports. Patent regulations in the United Kingdom. Prohibited exports. British Government and the shipping industry. Demand for jardinières. Market for folding chairs. Demand for barley. Demand for canned tomatoes. Imports of Canadian fish. Shortage of eggs. Increase in price of meat. Imports and prices of wheat. Condition of cheese and butter market. Wholesale prices for leading descriptions of butter and cheese in London.
622	November 30, 1915	Inquiries for forgings, axles, tires, etc. Demand for celluloid handles. Condition of copper and spelter market.

SAMPLES FORWARDED.

Samples of various articles for which there has been a demand in the United Kingdom were forwarded to the Department of Trade and Commerce. These included: shovel handles, hammer handles, nuts and bolts, broom stocks, webbing, steel sheets, electric bulb holders, buttons, galvanized strip, ore, and wire.

SAMPLES RECEIVED.

Very few samples have been received from firms in Canada. Perhaps the cause of this is the request usually accompanying inquiries from British importers, as it is preferable to forward samples direct to them. Nevertheless, where the cost is not excessive, it would be advantageous for a trade commissioner to be in possession of a range of samples, as he could invite inspection by prospective buyers in his district.

A fine display of timber manufactures has been received from the Government of British Columbia, and architects, builders and other people who inspected them were surprised at the quality and finish. When freight rates are normal again, trade between the lumber mills of British Columbia and the United Kingdom should undoubtedly increase in volume.

CATALOGUES, TRADE JOURNALS, AND NEWSPAPERS.

Catalogues have been received from many Canadian manufacturers, and these were brought to the notice of British importers. The practice is highly commendable.

Canadian trade journals and newspapers are filed in the office, and they prove useful to a limited number of readers interested in commerce between Canada and the United Kingdom.

NOTES ON SPECIFIC IMPORTS.

The following notes on openings for certain Canadian manufactures and products during the present year may be of assistance to exporters. Prices will, of course, be an important consideration in an endeavour to transact business with the United Kingdom, but the general impression is that many commodities are indispensable, and therefore enhanced prices will have to be paid.

MACHINERY AND TOOLS.

Several Canadian firms have expressed a desire to find a market in the United Kingdom for various kinds of machinery. Catalogues have been received, information has been supplied to exporters, and in many cases buyers and sellers have been introduced. It is not possible to furnish full particulars of the many types of machinery imported by midland firms, and the best course is for manufacturers to send their representatives to this district to study conditions, as they would be in possession of the necessary technical knowledge without which it is very difficult to form trade connections. The total imports of the United Kingdom exceed \$30,000,000 annually, and the kinds of machinery and tools imported are:—

Locomotives, agricultural; pumping; boilers; mining and textile machinery, and hand tools.

HOLLOW-WARE.

Germany has long been the leading exporter of enamel and tinplate hollow-ware to the United Kingdom, and the proximity of that country as well as its ability to manufacture cheaply has prevented Canadian manufacturers competing successfully in the past. At the present time, however, the market is well worth consideration. The total imports are valued at nearly \$3,000,000 annually.

LAMPS AND LANTERNS.

Quotations have been received for various kinds of lamps and lanterns from Canadian manufacturers, and they are now being considered by Birmingham importers. The value of the imports is about \$250,000 annually, Canada's share of it being valued at \$3,000. If manufacturers will forward their catalogues they will be placed before prospective buyers.

LEATHER.

Owing to the abnormal military demands, inquiries for leather of various kinds are sure to be brisk during 1916. The imports are valued at \$10,000,000 annually and they include dressed and undressed leather, hides, skins chrome tanned, box calf, glaze kid, etc. In this connection attention is drawn to the market for leather gloves, the annual imports of which approximate \$8,000,000. Before the outbreak of war imports from Germany were valued at \$1,500,000; from Belgium \$1,400,000; from Austria-Hungary \$2,000,000, and from France \$2,500,000.

HAIR.

An item in which Canada does not take a prominent part so far as British imports are concerned, is the demand for cattle, horse and other kinds of hair. The imports in the United Kingdom amount to over \$2,000,000 annually, the chief sources of supply in the past being Russia, Germany, the Netherlands, Belgium, France and China.

GLUE, SIZE AND GELATINE.

Samples of glue have been received from Canada and placed in the hands of importers in this district. The chief sources of supply are no longer available and the market should be worth consideration. Germany, Austria-Hungary, France and Belgium were the leading contributors to the annual import valued at \$2,500,000.

COMMON GLASS AND GLASS BOTTLES.

Prior to 1914, Belgium and Germany were relied upon by the United Kingdom for its imports of window glass and glass bottles. Quite recently an order has been placed with a United States firm by the British Government for 140,000 gross of glass bottles, which indicates the condition of that trade at the present time. British

manufacturers are quite unable to supply the shortage, and the attention of Canadian manufacturers is drawn to this fact. The imports of glass and glass bottles are valued at about \$10,000,000 annually.

DRESSED OR UNDRESSED FLAX.

Imports of flax in normal times are valued at over \$20,000,000 annually, the main sources of supply being Russia to the value of \$10,000,000, and Belgium \$6,000,000.

FEATHERS AND DOWN.

A good market for feathers and down exists in the United Kingdom. In 1913-14 purchases from Germany were valued at \$180,000, while those from the United States did not exceed \$32,000. In 1914-15, however, during seven months of which imports from Germany ceased, the sales of the United States rose to \$70,000. The names and addresses of buyers can be furnished to exporters on application.

DRUGS.

Drugs are being received from Canada in limited quantities, but as they are unenumerated in official statistics their nature cannot be ascertained. Imports are valued at \$6,000,000 annually. Very large consignments were imported from the belligerent countries of Europe prior to August, 1914.

VARIOUS MANUFACTURES AND PRODUCTS.

As the following articles have been dealt with in special reports during the last four years, it will not be necessary to deal with them here in detail; but if information is sought by exporters it will be gladly furnished. The statistics are quoted to give an idea of the approximate value of the annual imports.

Articles.	Value of annual imports.
Cordage, and binder twine	\$ 2,300,000
Chemicals, and manufactures thereof	22,600,000
Cement	700,000
Buttons and studs	4,500,000
Brooms and brushes	1,600,000
Boots and shoes (leather)	4,000,000
“ (rubber)	550,000
Fish oil	6,000,000
Paints, colours and pigments	10,000,000
Paper for printing (on reels)	7,000,000
“ (not on reels)	4,000,000
Pulp of wood (in various forms)	23,000,000
Poultry	4,500,000
Seeds, clover and grass	3,000,000
Eggs	45,000,000
Sausage casings	3,000,000
Cattle foods	1,400,000

GREAT BRITAIN.

REPORT OF ACTING TRADE COMMISSIONER.

(L. M. Vaughan.)

BRISTOL, January 7, 1915.

REVIEW OF THE TRADE FOR 1915.

It is hoped that the following review of trade conditions during the year 1915 may be of interest:—

PROVISIONS.

During the year the wholesale provision trade in Bristol was of a thoroughly abnormal character and certain causes have brought effects quite contrary to those usually produced. Extremely high cost prices, delays and higher cost of transport and distribution, do not appear in any way to have curtailed business, as, perhaps with the exception of butter, the imports of all kinds of provisions in regard to volume and tonnage have been fully up to the normal, and there has been no accumulation of stocks to speak of, as formerly took place under such conditions. Consequently the results cannot fail to have been satisfactory to traders. With regard to market fluctuations and range of price, there are only two episodes throughout the year worth noting. Early in the season there was a decided indication of a largely increased supply of Canadian cheese, which resulted in a sharp drop in the markets, but this was soon recovered, and from that time the tendency has been persistently upward. The other noteworthy and unusual circumstance was the placing on the market, through the medium of auction sales in several of the chief ports of the United Kingdom of immense quantities of hog products from the cargoes of captured ships condemned as prizes, these cargoes having been intended for ultimate purchase in Germany. This brought the price of lard and bacon, especially the former, down to a very low point, but the remarkable way in which these extra and unusual supplies were rapidly absorbed and disposed of was quite phenomenal, and the markets soon recovered.

TIMBER.

The great difficulty of the year has been the freight question. At the end of 1914 freights from Archangel were about 60s. per standard of 165 cubic feet; they opened, however, for 1915 at about 85s. and gradually increased during the year, finishing at about 200s. The last named rate now applies to all wood goods from Canadian ports. This fact alone, without the increase of f.o.b. values, has raised the prices very considerably. In November 1914 the German Government declared all wood as contraband of war. This did not preclude the manufacturers in Sweden from taking advantage of the railway across to Norwegian ports, and a considerable quantity of wood was thereby dispatched during the winter to various ports in Great Britain. Early in the spring the Germans concluded some arrangement with the Swedish Government whereby shipments were resumed, and they have shipped large quantities of wood goods during the year. These supplies, however, were somewhat abruptly terminated early in November, when Swedish producers under their trade organization, proclaimed that they would not sell any more of their wood goods unless on a fixed basis of exchange. All business thereupon ceased as importers in the United Kingdom would have nothing to do with a basis which had already proved so deceptive. The imports into Bristol have been on quite a large scale. Stocks are very light, nothing like sufficient for a fair winter's business. The demand is still good, mostly however, for Government purposes. The outlook for 1916 is difficult to foretell, no one knowing what freights will be, or what the shippers will ask for their goods. There is also the great difficulty of shortage of labour.

In addition to the foregoing notes with regard to Bristol in particular the following general timber notes may be of interest.

Prices for the coming season as fixed by the Swedish Timber Exporter's Association are very high, which buyers feel obliged to accept. Sellers are refusing to agree to the old terms of payment after safe arrival, but are in some cases agreeable to sell on c.i.f. terms with a fixed freight basis.

The prices for Gelfe and Lower Gulf Hernosand, and prime upper Gulf stocks are reported as follows:—

Gelfe and Lower Gulf—		
III deals, red and white	£14 15 0	
III battens, red and white	12 15 0	
III red scantling	12 15 0	
Hernosand and Upper Gulf, red and white U/s:—		
3 inch and 4 x 11 inch	15 10 0	
White 4 inch particularly will probably fetch a good deal more.		
4 x 9 inch	15 0 0	
3 x 9 inch	14 0 0	
Fifth deals	12 0 0	
3 x 8 inch and 8 inch battens (boards 10s. higher)	13 0 0	
7 inch and 6½ inch battens (boards 10s higher)	12 10 0	
6 inch battens	12 0 0	
3 x 6 inch and 3 x 4½ inch	12 10 0	
2 x 3, 4 and 5 inch	12 0 0	
2 x 3½, 4½ and 5½ inch	11 10 0	
5 inch boards	11 15 0	
4½ inch boards	11 10 0	
4 inch boards	11 5 0	
Slatings—£8.10s. without reduction for ends.		
Battens and Boards, Fifths—20s. less U/s.		
Utskott—£9.10s. being asked for but most shippers holding for £10.		

Lesser-known makes are not quite so high in price, but more has been paid for picked specifications. It is difficult as yet to form an estimate of the volume of business that is being concluded at these terms, but on the whole buyers seem eager.

PIT-PROPS.

Large supplies of timber for pit-props for the coal mines of Great Britain are essential to a continuous and steady output of coal. The importance of the matter is indicated by the following table of the imports of pit-props and pitwood to the United Kingdom during 1913 and 1914:—

From	1913.		1914.	
	Loads.	£	Loads.	£
Russia.....	1,538,714	2,415,086	737,270	1,171,301
Sweden.....	359,988	558,095	305,924	576,499
Norway.....	114,777	200,932	133,741	296,537
France.....	984,331	839,065	886,025	808,316
Portugal.....	315,538	278,154	292,917	266,739
Other countries.....	137,980	153,734	120,977	139,954
Totals.....	3,451,328	4,445,066	2,476,854	3,259,346

The imports during the first eleven months of 1915 were 2,028,199 loads, value £4,324,669.

In addition to the imported pitwood about 750,000 tons of home-grown timber were utilized annually before the war, and this quantity has since been increased to some extent.

Cardiff pitwood prices which, at the beginning of the year, were about 28s. per ton, advanced steadily until they reached 42s. per ton in March, but as a result of heavier imports due to Government efforts to meet the situation, there was a decline from April until August, values dropping to about 24s. There was a great shortage in the closing months and values reached 53s. per ton ex ship. Imports were about a million loads.

BOOTS AND SHOES.

Boot manufacturers of Bristol and district were extremely busy during the year, mainly on army contracts. Leather prices have been high all the year, but there has been no difficulty in getting adequate prices for boots.

BUILDING.

Owing to the war employment has been good among carpenters and labourers. Among employers the result has been variable, those engaged on Government work being busy, while those engaged on ordinary building have suffered. Little public work has been commenced except that which was absolutely necessary, and some contracts actually in hand have been suspended.

CLOTHING.

In the early part of 1915 wholesale firms were busy with war contracts, but towards the end of the year few service dress contracts were obtained in the west of England. There has been a steady demand for civilian clothing, more especially in ready-mades, and from orders placed it would not appear that the retailer has suffered to any extent in the volume of trade. Prices of all soft goods have shown a marked appreciation in practically every direction, due to the difficulty in obtaining the raw material and increase in cost of production, while the recruiting of the new armies has resulted in a shortage of labour, which will be intensified as more men are required.

CONFECTIONERY.

The demand for confectionery in 1915 has been abnormally large, and manufacturers have had great difficulty in dealing with it. A satisfactory feature has been that the demand generally is for the better class goods, notwithstanding that sugar, the principal raw material, has advanced in price about 100 per cent, whilst the price of all raw materials have considerably advanced. Manufacturers generally have had difficulty in securing raw materials, and labour has been scarce.

ENGINEERING, BRASSFOUNDING AND COPPERSMITHING.

At the beginning of the year the work of the above allied trades was far from brisk, but since the Ministry of Munitions came into being a state of unprecedented activity prevails, men being fully employed at greatly enhanced wages, and for the first time unskilled labour, male and female, is employed on a great scale in what has hitherto been strictly protected trade union territory.

FINE ART PRINTING AND PUBLISHING.

The fine art printing and publishing trade has suffered very considerably, and probably will not recover until the present crisis has ended and the country has settled down to ordinary conditions.

FURNITURE AND CABINET WORK.

The furniture and cabinet work trade may be described as good, but manufacturers have been faced with a shortage of skilled labour, increase in cost of materials, and lack of transit facilities.

HEMP AND FLAX.

The chief features in the hemp and flax trade in Bristol were the abnormal scarcity of raw materials, the excessively high prices for the same, and the substitution of Indian and colonial fibres for the European fibres previously used. Supplies from Russia were obtainable only with much difficulty; small supplies of British and Irish grown flax have therefore been in keen demand, and it is said that prices of over £200 per ton have been paid for some parcels grown in Ireland.

MILLING.

The milling trade has also felt the lack of transport facilities very severely. The volume of trade in flour has remained very good, and the value of offals has been higher than has been known for many years.

MOTORS.

The position of the motor industry owing to the war has been a peculiar one. The demands for mechanical transport have now been supplied. Most of the chassis have been obtained from the United States, and, with the exception of two or three firms producing a subsidy lorry, there are no motor manufacturers at the present time in this country supplying lorries to the Government. It has therefore been necessary for motor manufacturers to turn their attention to other munitions of war, on which the majority of firms are busy.

TANNING.

The tanning trade during 1915 has been marked by extreme prices of leather, hides and tanning materials, but at the close of the year both leather and native hides have returned to almost normal conditions. On the other hand, tanning materials have greatly enhanced in price, in nearly all cases quotations bring double what they were in June and July, 1914, and it appears highly improbable that there will be any relief for a long time, as all the countries of supply, except the United States, are engaged in the present conflict. The usual labour difficulty is complained of.

REPORTS, CORRESPONDENCE AND INTERVIEWS.

Reports have been made on the following subjects:—

Trade at Bristol Docks, Pitwood, Apples, Food Prices, Butter and Cheese, Bacon and Eggs, Canned Goods and Lard, Flour, Dried Peas and Haricot Beans, Provisions, Timber, Confectionery, Clothing, Trade Returns, German and Austrian Trade, Public Trustee, British Industries Fair, Gas from Wood Waste, Meat, Hosiery and Underwear, Radium and Plant Life, Bacterized Peat.

The number of letters received in this office during the past year was 861 and the number despatched 1,644.

The number of interviews held were 312.

TIMBER EXHIBITION.

An exhibition of British Columbian timber was set up in this office early in the year, and timber importers, builders, architects and others likely to be interested were invited to inspect it. Some few availed themselves of the invitation and the first request was in almost every case for prices, which unfortunately were not included with the exhibit.

IMPORTS FROM CANADA.

Imports from Canada into Bristol for nine months ending September 30, 1915, were as follows:—

Grain—	Tons.	Cwts.
Barley.. . . .	5,667	17
Maize.. . . .	....	—
Oats.. . . .	3	3
Wheat.. . . .	82,850	12
Other kinds.. . . .	3	16
Total.. . . .	88,525	8
Flour and meal.. . . .	8,754	4
Fruit.. . . .	259	4
Hay.. . . .	21 ⁵	5
Iron of all kinds.. . . .	2,497	7
Leather.. . . .	662	—
Metal ashes.. . . .	12,335	14
Oilcake.. . . .	453	4
Paper.. . . .	827	7
Provisions—		
Butter.. . . .	85	11
Cheese.. . . .	8,397	18
Lard.. . . .	5,155	1
Bacon and hams.. . . .	8,768	1
Beef, mutton and pork.. . . .	1,565	10
Canned meats.. . . .	362	18
Total.. . . .	24,334	19
Wooden goods.. . . .	884	7
Deals.. . . .	64,856	—
Timber.. . . .	1,199	10
Wood (other kinds).. . . .	660	4
Total.. . . .	67,600	1
All other goods.. . . .	8,643	7
Total imports.. . . .	214,914	0

TABLE OF IMPORTS.

The following are the principal imports into Bristol for 1915 with those of 1914 for comparison:—

	Tons. 1914.	Tons. 1915.
Grain—		
Barley.. . . .	202,260	141,124
Maize.. . . .	134,371	169,651
Oats.. . . .	56,733	74,574
Wheat.. . . .	407,304	363,001
Other descriptions.. . . .	7,997	5,958
Wheat meal and flour.. . . .	31,205	32,644
Maize meal, rice meal, offals.. . . .	10,140	21,162
Oilcake	1,546	12,358
Eggs.. . . .	345	182
Fish.. . . .	791	940
Fruit—Green—		
Apples.. . . .	1,128	1,733
Bananas.. . . .	65,091	52,042
Lemons and oranges.. . . .	17,634	22,979
Other kinds.. . . .	1,746	3,172
Fruit—Canned.. . . .	2,482	1,513
Meats—		
Bacon and hams.. . . .	5,183	16,403
Salted.. . . .	362	714
Frozen.. . . .	7,568	13,881
Canned.. . . .	1,200	1,069
Milk (condensed)	1,709	1,985
Oil—cottonseed.. . . .	30	87
Provisions—		
Butter.. . . .	775	996
Cheese.. . . .	15,759	15,214
Lard.. . . .	8,427	10,684

TABLE OF IMPORTS.—*Continued.*

	Tons. 1914.	Tons. 1915.
Sugar—		
Refined and unrefined..	91,042	59,448
Glucose..	7,152	6,976
Molasses..	9,063	8,741
Vegetables—		
Onions..	6,907	7,387
Potatoes..	3,591	141
Tomatoes..	1,672	2,022
All other..	1,436	681
Petroleum and petroleum spirit..	174,740	197,714
Iron..	32,012	31,954
Seeds—		
Clover, etc..	380	242
Oilseeds..	65,925	51,173
Timber and deals..	158,342	183,084

GREAT BRITAIN.

REPORT OF TRADE COMMISSIONER.

(Mr. J. T. Lithgow.)

GLASGOW, January 5, 1916.

TRADE REVIEW, 1915.

The industrial conditions prevailing in Scotland during the past year have been dominated wholly by the war. In almost every direction private enterprise has ceased to play a part in the scheme of labour and the energies of the country. Money, machinery and men have been concentrated almost entirely in furthering the prosecution of the war to a successful conclusion.

SCOTTISH INDUSTRIES.

The main industries of Scotland are coal, iron and shipbuilding, in which great industrial activity has prevailed throughout Scotland during 1915. The shipbuilding yards have been employed mainly in connection with Admiralty work and the output has been phenomenal. Building for ordinary trade purposes has had to give way to Government requirements, but even in this direction a large number of ships have been constructed, though the high costs of material and labour have made the building of mercantile tonnage at the present time somewhat of a speculation. Labour difficulties have not been altogether absent but they have not been of a particularly serious nature, and as a rule it has been found possible by means of conferences to reconcile the views of employers and men.

WASTAGE OF TIME.

One of the principal difficulties that has had to be contended with is the wastage of time by a large section of the men. The standard of wages paid at present is abnormally high, and in the earlier part of the year there was a strong tendency on the part of certain employees to work only part of the week and to spend the remainder indulging themselves. This led to great disorganization and delay in output and unless the matter had been checked all war work would have been greatly handicapped.

THE MUNITIONS ACT.

Various expedients were resorted to in order that the men might be brought to realize the seriousness of the situation, but it was not until the "Munitions Act" was passed and the drink traffic taken in hand that much progress was made. The "Munitions Act" in brief enacts that no man may be absent from his work without a satisfactory reason, and that no man shall change his employment without the consent of the local tribunals which were set up to administer the Act. The men have accepted the Act in the proper spirit and since its introduction have for the most part conformed to its requirements. The drink problem was also taken in hand by the Government and the various districts in which munition work was extensively engaged in were declared "restricted areas." Drink is now on sale only within limited hours and at times when its excessive consumption is not likely to interfere with the work.

IRON AND STEEL.

The industries which have probably been the most active during the year are those of iron and steel. These commodities are absolutely essential to the conduct of the war and the various sections of these trades have been working at their full capacity throughout the twelve months. The demand for material of all descriptions has been beyond anticipations, and even with the enormous output that is now being turned out the supply is still considerably short of the demand. With a view to exercising control over these products the Government has declared all steel works controlled establishments.

HIGH PRICES.

The abnormal demand for iron and steel material was quickly reflected in prices which have increased steadily since the beginning of the year. At the opening of 1915 the prices of ship plates was £7 5s., boiler plates £7 10s., and angles £7. By the end of the first month these prices had advanced by 10s. per ton, while in March a further advance of 20s. took place. In May the price had again risen by 20s.—bringing the quotation of ship plates up to £9 15s. Since then further advances have taken place and current quotations are now £12 for ship plates, £12 10s., for boiler plates and £13 for angles. Sheetmakers have been fully employed throughout the year, the demand for light sheets both for home and abroad being abnormal. The absence of the German and Belgian output has left the foreign markets open to Great Britain and America, but as there has been an absence of freight facilities from the United States, and since America has had enough on hand to supply her own requirements the bulk of the business has been done by British makers.

AMERICAN BILLETS.

Prior to the war the Scotch sheetmakers were dependent to a great extent on Germany and Belgium for billets, but since supplies have been cut off from these sources America has taken up this industry, and, though high rates of freight have limited the trade to a great extent there is no reason why it should not be considerably developed after normal conditions are restored.

With the advance in prices wages have followed in sympathy, the increase averaging about 25 per cent.

RAW MATERIAL.

While the prices of steel have risen greatly throughout the year the increased cost of raw material has contributed greatly to the advance. The scarcity of tonnage from Spain which supplies the ore, and the consequent high rates of freight have

increased the price of hematite iron to a very high level. In January a year ago the price of this commodity was 82s. 6d. per ton, while at the present time deliveries cannot be made at the iron works under 130s. per ton. Over the twelve months basic iron has risen in price 20s. and scrap iron 30s. The price of ferro-manganese has doubled during the year. Fuel has been difficult to obtain but the Coal Limitation Bill has kept prices within reasonable limits.

METALS.

The demand for metals required for the manufacture of munitions created some remarkable movements in prices. Spelter for example rose about 500 per cent above the normal, ranging from £28 up to about £135 per ton. Copper also fluctuated over a wide range while, on the contrary, there was very little movement in tin, due to the absence of speculation in the market.

HIGH FREIGHT CHARGES.

One of the factors which has influenced costs perhaps more than anything since the war began has been the high rates of freight ruling. Much criticism has been levelled at the shipowners on account of the high and ever-increasing shipping charges. but it has to be remembered that shipping like every other branch of industry is regulated by supply and demand, and so long as the demand is greater than the supply it is impossible to check advancing freights.

GOVERNMENT REQUISITIONING OF SHIPS.

The principal reason for the shortage of tonnage and the consequent advance in freights is the requisitioning of so many steamers for war purposes. Over two thousand steamers have been taken over in this connection, ranging in class from the latest liners to the small collier and with all these vessels out of commission for ordinary trade purposes, it is not surprising that rates of freight have advanced to their present level. The following table shows the large increases which have taken place:—

	OUTWARDS (PER TON).					
	Jan.	Mar.	June.	Aug.	Nov.	Dec.
Wales to River Plate.....	17/6	25/-	25/-	22/6	39/-	40/-
Rio.....	18/-	23/-	25/-	23/-	40/-	41/3
Italy.....	18/6	20/-	24/6	22/6	49/-	70/-
Port Said.....	21/-	21/-	25/-	24/-	51/-	70/-
	HOMEWARDS (PER TON).					
	Jan.	Mar.	June.	Aug.	Nov.	Dec.
River Plate to United Kingdom.....	47/6	70/-	45/-	62/-	87/6	120/-
Canada and United States to United Kingdom.....	5/6	6/6	7/9	8/-	13/6	14/6
" " " France.....	6/-	10/3	9/-	8/9	15/6	16/6
" " " Italy.....	7/-	10/9	9/6	8/9	16/6	19/6
Alexandria to Hull.....	20/-	25/-	26/3	20/-	32/6	50/-
Bombay to United Kingdom.....	55/-	57/6	55/-	52/6	77/6	110/-
Karachi " " ".....	45/-	50/-	51/3	40/6	72/6	95/-
Calcutta " " ".....	36/3	75/-	62/6	67/6	82/6	130/-
Time charters.....	11/6	17/6	12/6	15/-	20/-	22/6

Against these high freights it is necessary to take into account the greatly increased cost of operating the ships. The high rates of insurance have to be taken into consideration, while the expense connected with the loading and discharging is considerably greater and the cost of coal is another outstanding factor. An example of the increased expense incurred under this head may be given. A year ago bunker coal at Port Said was quoted at 40s. per ton, while to-day it cannot be obtained under 80s. The difference in cost this entailed in working a steamer may be realized when it is remembered that a modern vessel of any size burns about fifty to eighty tons per day.

SCARCITY OF TONNAGE.

The scarcity of tonnage has been greatly accentuated by the absence of new boats. The shipyards throughout the country have been engaged almost entirely on government work, and even if this had not been the case the high cost of material was sufficient to prevent building for ordinary trade purposes. With mercantile ship-building almost at a standstill there has been a great demand for second-hand boats and in this connection some remarkable prices have been paid. Instances are known where a boat offered a year ago at £60,000 without finding a buyer recently realized £100,000, while a case is known of a steamer which was offered and declined at £22,000 in August, 1914, realizing £40,000 a year later. Vessels of almost any description can find a market at present and it is not uncommon to find a steamer twenty years old selling at about twice her original cost price.

TIMBER.

In the timber trade a great advance has taken place in prices during the year, more particularly in the case of woods where cost of freight enters into the price. The advance has been occasioned almost entirely by the heavy rates required to bring the material overseas as there is little or no evidence that f.o.b. prices have changed materially over the twelve months.

CANADIAN AND RUSSIAN WOODS AFFECTED.

This increased charge is reflected mostly in the case of Canadian and Russian white pine, pitch-pine, Pacific spruce and pine, Californian redwood, Virginian silver pine, Canadian yellow pine and birch, Gaboon mahogany, pit props, three-ply wood and furniture woods generally. The examples of prices remaining more or less unaltered are those for teak, mahogany and waney pine, the explanation being that there was an entire absence of demand for these qualities due to the shipyards being engaged almost entirely on Government work which required little or none of these kinds of wood.

INCREASED IMPORTS FROM CANADA.

One of the most noteworthy effects of the war so far as the timber trade is concerned is the expansion that has taken place in the overseas trade, more especially with regard to the export of timber from Canada to this country. For a long time Britain has been dependent mainly on Canada for pine, but her vast supplies of spruce have scarcely been tapped owing to the lower cost of bringing this particular class of wood from the Baltic ports. The war, however, has closed this source of supply and Canada has sent large quantities of spruce which it is hoped, having found its way to the British market, will remain.

WOODS IN MOST DEMAND.

The woods in most active demand were Canadian and Russian white pine and the cheaper grades of yellow pine deals, birch logs and planks, Douglas fir (Oregon pine), ash, hickory, American oak, poplar, hazel pine and B. C. Tideland spruce.

THE MARKET POSITION.

The present position of the timber market is particularly favourable. Stocks are light and it is estimated that if consumption keeps up to the existing level there is likely to be a shortage before long.

COAL.

The unprecedented demand for coal has had a far reaching influence on the trade. The demand became so great that the Government found it necessary to take the matter in hand and adopted what was regarded as a drastic measure, namely the restrictions of export. It was thought that this action had been taken by the Government because British coal was finding its way to enemy markets, but the real explanation was that the authorities merely wished to obtain control of exports in case of exceptionally heavy demand from abroad should handicap the works at home. The passing of this legislation did away with the possibility of any shortage of coal and to further protect the home trade the Coal Prices (Limitation) Act was passed which fixed a price beyond which coal was not to be sold. These measures have to some extent kept prices within bounds, but even with legislation coal is by no means plentiful and prices still exceedingly high.

SCARCITY OF LABOUR.

The main troubles that the trade has to contend with are the shortage of labour and the difficulty of obtaining steamers. It is computed that about twenty-five per cent of the underground workers are with the forces and with the demand far exceeding normal it can be readily understood that it is sometimes difficult to keep up the supply. The shortage of tonnage has also been a serious factor, and this to a great extent is explained by the requisitioning of so many steamers formerly engaged in carrying coal. A general shortage of wagons for conveying the coal from pit to works has not helped matters while the advance that has taken place in miners' wages has added considerably to the costs. Previous to the war the daily average of a miner's wage in Scotland was 7s. and since the outbreak of hostilities it has risen by degrees until it now stands at 8s. 9d.

EXPORTS.

Mainly as a result of the legislation and also in part due to the home demand, the export of coal from Great Britain shows a considerable falling off this year compared with last, the decrease being 15,000,000 tons. The shrinkage in Scotland has not been so marked as in England and was confined to a large extent to the east coast parts. So far as Glasgow is concerned, the exports show an increase of about 400,000 tons, so marked as in England and was confined to a large extent to the east coast ports, being diverted to this section of the country. So far as the outlook is concerned it is difficult to see far ahead. It is generally agreed that there is not likely to be much falling off in demand and even after the conclusion of the war it is anticipated that Britain will continue to be the universal provider of coal for some time as it will be long before the continental collieries are in a position to resume normal working conditions.

THE GRAIN TRADE.

A somewhat remarkable year has been experienced in the grain trade. The harvests all over the world have been exceptionally bountiful, yet it would be difficult to find a period when the trade was beset with more difficulties or when the people had to pay higher prices for their bread.

WHEAT.

At the beginning of 1915 the price of wheat stood at 60s. per quarter delivered for No. 3 Northern Manitoba, about the highest point reached during the past thirty years. The main factors responsible for this state of affairs were the high cost of freights, the scarcity of steamers, congestion at the ports with a consequent delay at discharging,

and an inadequate supply of labour. Time brought no improvement and with markets in the United States rather irregular and a growing demand from the other European countries the price increased 8s. per quarter. The attitude of the British Government in assuming control of the Indian crop created considerable stir in grain circles, but it had no effect on prices generally.

HIGH PRICES.

The attempt to open a way to the Black Sea occasioned a set back in value in America, but the market quickly recovered and by the beginning of May No. 2 Northern Manitoba reached 72s., which was about 35s. dearer than the lowest price ruling a year before the war. As the season developed the prospect of an unprecedented crop caused a decline in buying for a time and an all round decrease of 10s. per quarter took place about June and for another month the market continued to fall. By August, however, prices were again increasing though there was no great activity. The Canadian reports estimating a spring crop of 265,000,000 bushels tended to bring prices down but buyers were not anxious to commit themselves. Over the year the price of wheat has fluctuated 23s. The imports were 122,000 tons, a decrease of 20,000 tons compared with 1914 and of the total North America sent 110,000, the greater part of which came from Canada. The course of other cereals has been a reflex of the movements of wheat and over the year values are considerably higher, the greatest advance probably being shown in oats which are about 100 per cent dearer than in normal times.

SCOTCH MINERAL OIL.

The war has brought into prominence an industry which has been actively conducted in Scotland for many years, the mineral oil trade. The extraction of oil from shale is a method almost peculiar to Scotland. Unlike the American continent and other parts of the world, particularly Russia, Scotland is not fortunate in possessing natural oil wells, but because of this disability she has made wonderful progress in abstracting oils from shale and has developed a considerable market, not only in the oils but in the by-products. The introduction and rapid growth of oil-burning steamers has given a great impetus to the industry, and in this connection the mineral oil trade may be regarded as a national asset in so far as it does not make the country entirely dependent on the importation of foreign oils. The extent of the industry may be gathered from the fact that during 1915, 3,000,000 tons of shale were raised and treated, the estimated value of which was £1,000,000.

CHEMICALS.

The employment of chemicals plays a part in more trades than is generally appreciated, and with many of the usual sources of supply cut off this year the home trade has naturally experienced a very active period. The branch of the trade which has created most interest is that for dyes. For some years there has been considerable controversy on this subject on account of the serious inroads that Germany has been making into what was formerly almost an exclusive British market. It was not, however, until the outbreak of war brought home to manufacturers who use dyes how dependent they were on Germany for their supplies that the trouble became acute.

GERMAN COMPETITION.

The Germans for forty years have laboured constantly to perfect the industry and have spared neither brains nor money in their efforts to monopolize the entire manufacture of coal-tar colours. The cessation of supplies to this country following the outbreak of war made it imperative that new methods should be adopted, and the practical scheme was formed and put into operation of forming a company, composed of the users of dyes, to be known as "British Dyes, Ltd." The manufacturers who utilize dyes have undertaken to take up practically the whole of the company's out-

put. The scheme is understood to be working satisfactorily, and if further efforts are made in the same direction there is little prospect of the German article again monopolizing the British market.

FINANCE.

While trade has played a great part in the prosecution of the war, the fact should not be lost sight of that industries have to a great extent been effected by the monetary position. It has to be remembered that Great Britain is financing not only her own share in the war but is giving great financial assistance to all the Allies as well as to her oversea Dominions. The outlay in this respect during the past twelve months reaches the large total of £423,000,000, and since the outbreak of hostilities the aggregate loans total £500,000,000. The expenditure of the country shows a progressive increase, and at the present time the cost of the war to Great Britain is £5,000,000 a day. The actual amount of money used in connection with the war during the present year cannot be accurately stated, as the calendar year does not coincide with the financial year, but since the beginning of the war the Parliament votes aggregate £1,662,000,000, and of this amount the powers taken during 1915 amount to £1,337,000,000 and the estimated expenditure for the current financial year is £1,590,000,000.

METHODS OF RAISING MONEY.

Various methods have been adopted to raise the necessary money to finance the war. The taxation revenue for the year ended March, 1916, will bring in £305,000,000 and in the following year £387,000,000, but taxation will not go far towards paying the cost and the greater part of the money has been raised by loans.

LOANS.

The main portion of the 3½ per cent loan for £350,000,000 was received during 1915, and this was followed by the flotation of a 4½ per cent loan of unlimited amount. This loan carried the right to convert certain other Government stocks. The issue was highly successful and brought in £600,000,000, while the securities converted amounted to £347,000,000. A considerable sum has also been raised by treasury bills, on which up to 5 per cent is paid, while the latest method is the issue of 5 per cent Exchequer bonds.

THE AMERICAN LOAN.

The dislocation caused to American exchange by the great excess of British imports over exports compelled the Government to take measures to right as far as possible the trade balance and with this object in view it was arranged by France and Great Britain to borrow £100,000,000 from the United States. It should be understood that the money borrowed under this scheme was not utilized for the immediate conduct of the war, but was merely placed to the credit of Great Britain in the United States for the purpose of helping to liquidate the debt there.

AMERICAN AND CANADIAN SECURITIES.

Considerable relief is also likely to accrue to the financial situation as a result of the scheme to realize American and Canadian securities held in Great Britain. A large amount of securities have already been sold by investors direct to America and this has to some extent restored the exchange market, and it is anticipated that when the Government has mobilized the whole of the Transatlantic issues and disposed of them the exchange difficulties will no longer be a menace to trade. The easier monetary conditions that now prevail are emphasized by the fact that the Government has repaid to the Bank of England part of the money advanced by that institution, including the Bills of Exchange discounted under the war emergency measures last year. In this way much artificial credit was cancelled and the whole situation improved. At the end of a year and a half of war the allied nations are in a particularly strong financial position, and the credit for this must be given to the power of the fleets which have kept the seas open for the free exchange of international commerce.

GENERAL POSITION.

In the general condition of the country there is every indication of prosperity and no apparent lack of money, but in the present abnormal state of affairs it is somewhat difficult to distinguish between what is real and fictitious prosperity. There is no lack of employment and wages are probably higher than they have ever been before, but the fact should not be lost sight of that the industrial activity is concentrated almost entirely on the production of material which will probably cease to be in demand immediately the war terminates.

LABOUR PROSPECTS.

Not the least of the difficulties the country will have to contend with on the cessation of hostilities will be the great problem of labour. In all branches of industry at the present time labour is at a premium, but, as has already been pointed out, the work giving employment to the labour is largely devoted to war material and cannot be regarded as an index to the future. Further, the fact must not be lost sight of that the British army is composed mainly of men who are not professional soldiers, and who will return to civilian life after hostilities are ended and the labour market will be more or less flooded.

NEW OUTLETS.

Against this, however, the devastation caused by the war will require reconstruction. Belgium and the other territory at present occupied by the enemy will have to be rebuilt, and as the nature of the reconstruction will involve great quantities of material, in the production of which this country is engaged, the outlook is regarded with a certain amount of optimism. Further, the work devoted to war requirements during the past twelve months has been done at the expense of ordinary private enterprise. Mercantile shipbuilding has been quiet; locomotive building has received little attention, and the general building trade of the country has been more or less at a standstill. All the leeway in these trades will require to be made up and this should help considerably to absorb the labour that must ultimately be released from war work.

CAPTURING ENEMY TRADE.

Much has been said during the past year regarding the possibility of capturing trade markets which were formerly in the hands of Germany. The Board of Trade has taken the matter in hand and the whole subject is being organized, there being little doubt that when the country has been thoroughly interested action will quickly develop.

IMPROVED METHODS.

There is one phase of German business methods of value in capturing trade. That is the manner in which she is represented in foreign countries by her commercial attachés. It is now realized that manufacturers must drop the practice of making the goods they wish and trying to force them on an unwilling market, instead of studying the needs of the foreign purchaser and supplying him with what he wants. An exhibition of enemy goods was held recently in the principal industrial centres in Great Britain. The principal lesson learned from the exhibition was that the past success of Germany in foreign markets could not be attributed merely to the fact that she supplied articles within the financial reach of her customers, but that she paid particular attention to the class of goods in demand and produced them in a manner which could not fail to attract attention. It may be difficult for manufacturers to change their methods and produce material of an inferior quality, but until they realize that many foreign markets do not ask for quality and can only afford the cheaper class of goods they will find the capturing of enemy trade a much greater problem than they anticipate.

ACTIVITIES OF OFFICE.

During the year the following subjects have been investigated and reported upon to the Department:—

1915.	
January	7 Scottish Ironmasters' Returns for 1914. Glasgow provisions. Grain markets.
"	10 Leather, present conditions, Ireland and Glasgow. Glasgow provision trade, hog products, dairy products, Canadian cheese, Canadian eggs, Canadian bacon.
"	21 Meat imports and values. Timber trade position. Corn trade.
February	11 Timber trade. Glasgow provisions. Canned salmon from Greenland.
"	22 Irish fisheries.
March	1 Canned vegetables.
"	8 Board of Trade Returns; increasing imports.
"	16 Paper. Veneer wood.
"	23 Folding cots and cradles. Bentwood chairs.
April	9 Report of the Glasgow Produce Exchange; Dairy products; Hog products; Corn trade reports.
"	13 Timber trade.
"	15 Scientific glassware.
June	9 Food adulteration: Control in Glasgow.
"	17 Scientific glass research.
"	22 Glass. Statement of imports into United Kingdom.
July	5 Irish pig breeding industry.
"	8 Scottish farming.
"	13 Timber market report.
"	27 Fruit culture in the Clyde Valley.
August	4 Canadian cattle trade. The importation embargo, demand for removal. Condition of apple market, prospects for Canadian fruit.
September	8 Food supplies: Scotland and increase of production—Report of Departmental Committee.
October	6 Farming in 1914—Scottish Board's Report.
"	11 Market for wood block paving.
"	21 Glasgow markets: Canadian fruit, eggs, cheese and butter. Timber report. Salmon fishery of Great Britain.
November	8 The way to make Kelp and the advantages of the industry.
December	1 Clyde Navigation Report.
"	2 German markets—The Empire's opportunities. Board of Trade Exhibition.
Number of letters received.	
" despatched.	
" interviews.	
Number of trade inquiries forwarded to Department.	
	871
	1,196
	641
	49

GREAT BRITAIN.

REPORT OF TRADE COMMISSIONER.

(*Mr. J. Forsyth Smith.*)

LEEDS, February 14, 1916.

ESTABLISHMENT OF FRUIT TRADE COMMISSIONERSHIP.

The growing importance of the apple industry of Canada, and the extent of its dependence upon the British market led to the appointment in August last, of a Trade Commissioner with duties "having regard chiefly to the marketing of fruit in Great Britain." Headquarters were established in Manchester and actual work commenced on September 22. Since that time, the Fruit Trade Commissioner has been constantly in touch with the apple market at the four principal distributing centres, Liverpool, London, Glasgow and Manchester—visiting each on an average once a month, becoming personally acquainted with the principal apple brokers and importers at each point, and making a careful study of the auction system, by which the greater part of the imported apples are sold.

CABLES ON FRUIT PRICES.

One very obvious duty was to make some arrangement that would assure to Canadian apple shippers prompt and reliable information as to the prices realized by their fruit at all the principal market centres. As Liverpool holds three sales a week

regularly, Glasgow, two; Manchester, two; and London two or more, it was clearly impossible to be present at them all. The co-operation of the Department of Agriculture was enlisted, and the resident Canadian Cargo Inspectors, who attend all sales as a part of their regular duties, have acted as correspondents, forwarding price-marked catalogues and incidental information to supplement that secured by the Fruit Commissioner. Two and frequently three such cables have been sent every week since the first of October, making a total of 34. Considerations of cost made it necessary to limit these reports to the most essential matters. They have, however, given shippers very definite information as to the condition in which apples from Canada conveyed by a particular steamer have reached the market, the auction sales prices for the principal grades and varieties, and also the prices, quality and condition of foreign competing apples. By arrangement with Mr. D. Johnson, Fruit Commissioner, Ottawa, these cables have been published in the bi-weekly bulletin issued by the Fruit Branch, as well as in the Weekly Bulletin issued by the Department of Trade and Commerce.

In addition to the cables, there have been more detailed supplementary monthly reports on apple market conditions. These have dealt with English apple crop prospects, shipping space shortage and freight rates as affecting the general situation, demand and price prospects, past season price indications, the opinions of the trade on various matters of interest to Canadian shippers, the quality, grade and pack of Canadian apples inspected, the methods of classifying apples as tights and slacks practised on the various markets, etc. They have also presented tabular statements of prices for the principal varieties of Canadian and competing apples on the several markets during the month, and statistics of apple and other fruit imports into the United Kingdom.

INTERVIEWS.

Personal interviews possess a great advantage over correspondence when the object is to get closely into touch with all the details that may affect a trade favourably or unfavourably, and, in endeavouring to advance the interests of a perishable product like the apple, this is especially the case. It has been felt that the Commissioner should endeavour to secure the benefit of the experience, criticism, and suggestions of dealers representing every stage of apple distribution from the broker to the consumer, and much valuable information has been secured in this way. So far, during the busy shipping season, attention has necessarily been concentrated at the four main receiving points. It is the intention, later on, however, to meet the trade at a large number of subsidiary centres, such as Newcastle-on-Tyne, Birmingham, Sheffield, Edinburgh, etc. During the three months, October to December, 194 interviews were held on various matters connected with apple marketing.

CORRESPONDENCE.

During the same period, 333 letters were despatched and 345 received.

TRADE INQUIRIES.

Trade inquiries have not been numerous, for certain reasons, Canadian apples are, in the main, either bought by a representative of one of the large British brokers stationed in Canada for the purpose, sent over here to be sold by the brokers on shippers' account, or sold on behalf of a Canadian fruitgrowers' organization by its own representative on this market. In all but the last case, it reaches the hands of the wholesalers through the medium of the great apple auctions at Liverpool, London, Glasgow and Manchester. Connections have been established for years for doing business through these well-known channels.

In normal times, the wholesaler in such cities as Newcastle, Edinburgh, Birmingham, Leeds, may, perhaps, be induced to enter into direct relations with Canadian shippers. But, in these war times, with high freights, limited steamer space, delays

in loading and unloading, dock congestion and labour shortage difficulties, the risk is too great to offer any inducements for direct business. It does not pay to buy, weeks ahead, in Canada, a product that may or may not be delivered in satisfactory condition, when he knows that there are apple auctions two or three times per week at each of the large distributing centres, and that, without the slightest risk to himself, he is at liberty to attend one of them, see and judge the condition and quality of the fruit for himself, and buy at a price that must necessarily be much on a level with that paid by his competitors.

Under these circumstances, it has been considered well to wait for more favourable conditions before inviting trade inquiries. Those sent in have been, for the most part, from brokers who already had eastern barrel apple connections but wished to be placed in touch with western box apple shippers, or London brokers who complained that Ontario was concentrating its output in Glasgow and Liverpool.

SPECIAL INVESTIGATIONS.

In addition to a careful study of all details of the British apple marketing system, special investigations are now in progress into the much discussed question of the methods of classification of barrels of apples as tight and slack for auction purposes, the possibility of increasing sales of apples by a well-devised publicity scheme, and the possibility of direct business with wholesalers at other than the four primary distributing points.

POSSIBILITIES FOR EFFECTIVE SERVICE.

Some of the principal ways in which the Fruit Trade Commissioner is in a position to render service to the fruit industry are as follows:—

1. His cable reports keep shippers authoritatively informed of the state of the market and the prices offered for commercial packs, as well as of the condition of particular shipments on arrival. His files of sales, catalogues and other notes, also, frequently furnish data for answering special inquiries from individual shippers, dissatisfied, for one reason or another, with returns from sales.

2. He is in a position to make strong recommendations against practices that would result both in loss to the shipper and in serious injury to Canadian prestige. In this category may be placed the shipment, last year, of considerable quantities of No. 3 apples so scabby as to bring less than the cost of the freight. No shipper would deliberately ship with the expectation of such price results, but it, often, requires a man on the spot to make clear the mistake that is being made. (

3. His constant intercourse with the trade, brokers, wholesalers and retailers, enables him to acquire and transmit definite information on such important matters as variety, size and package preferences, the influence of these several factors on price, good packing as an asset on the market, etc.

4. Competition cannot be met effectively without a realization of the strong points of the competitor. Information collected about foreign competing fruits, their grades, quality, pack, etc., must, therefore, be of great value to the Canadian shipper.

5. Shippers of a perishable product, who are not personally represented on a far-away market, are very much in the hands of the dealer who handles their output. It should be a distinct advantage to them to have a Government official to act, (even, if only in the general way possible in the case of a Trade Commissioner) as a representative of the distant interests.

6. In any but the present abnormal times, it seems probable that much may be done to increase the volume of apple sales direct to the wholesaler. This can be done very effectively through the department's system of Trade Inquiries.

7. When the war is over, some good work may be done in looking into continental apple trade possibilities. United States competitors appear already to have a good foothold in Holland and Scandinavia, and Canada should not be behind them in using every possible outlet for its increasing production.

CANADIAN CARGO INSPECTORS.

This report cannot be closed without grateful acknowledgment of the valuable co-operation of the Canadian Cargo Inspectors at the chief ports in securing desired information. Their local knowledge and close acquaintance with trade methods have been of the greatest service throughout the season. These gentlemen are very painstaking and thorough, and their inspection work at the quays does a great deal to assure proper handling of the fruit when it is discharged and, in other ways, to safeguard the interests of the shipper.

GREAT BRITAIN.

REPORT OF TRADE COMMISSIONER.

(*Mr. Harrison Watson.*)

LONDON, January 6, 1916.

INCREASED OPPORTUNITIES FOR CANADIAN EXPORTS.

The year 1915 has been a noteworthy and epoch-making period in the history of Canadian export trade—especially noticeable in the relations with the Mother Country.

A largely increased demand for most staple products has been supplemented by inquiries as to the possibility of Canada supplying many articles which had not previously been regularly exported, and the sudden cessation of customary sources of supply to the world's markets of many raw and partly manufactured materials, has attracted attention to many of Canada's natural resources, and created opportunities for development which under ordinary circumstances might not have occurred for many years to come.

Among the 160 different Canadian products recorded as having been the subject of inquiry at this office, a detailed list of which is given later on, there is a considerable proportion of such cases.

Although it has unfortunately been impossible to take full advantage of all these opportunities, owing to the almost unsurmountable obstacles which have handicapped trading,—Canada having been particularly hampered by great scarcity of means of ocean transportation and abnormally high freights,—so much has been achieved that it is not unreasonable to assume that greater expansion will yet take place, and in the immediate future; as regards temporary export trade, because with the extension of territory in war the requirements of the belligerents constantly increase, both in quantity and variety, while the possible sources of supply diminish in inverse ratio; as regards permanent export trade, because Canadian shippers and manufacturers are acquiring from investigations which they are making, a knowledge of the world's markets of which they had no previous experience, and which is certain to enable them to ascertain particular articles in which permanent trade can be secured and held, more especially in the direction of natural resources and industries for which the Dominion possesses natural advantages, provided they are prepared to exercise the same diligence and enterprise as their competitors.

Admitting that Canada at the outbreak of war got slowly off the mark, more particularly in comparison with the United States, the recovery and progress made since have been truly remarkable.

CANADIAN INDUSTRIAL DEVELOPMENT.

As a matter of fact, until recently, the world had a very inadequate comprehension of Canada's industrial development. Most of her industries were established for the purpose of supplying the requirements of the home market and were fully employed

in doing so. Advertising and publicity have been almost exclusively devoted to natural products and resources with the object of attracting the settler and the capitalist, and as export trade in the past consisted mainly of agricultural produce, timber, and other natural products, and as regards manufactured goods was largely casual except in the case of agricultural machinery and a few other definite lines, even in the United Kingdom little was definitely known in ordinary commercial circles of Canada's capability to supply manufactured goods, while complete ignorance prevailed in most foreign countries.

Consequently at the outbreak of war it was to the United States—which for many years past has been making organized efforts to increase its export trade—that general attention was directed as the likely, and in some lines the only possible, source of supply for certain manufactured articles, abnormal quantities of which were suddenly required.

Even those who were aware of Canadian industrial progress and regarded the Dominion as an alternative source of supply, were confronted with several difficulties. Canadian manufacturers generally, as before mentioned, had been so completely occupied in filling the ever-increasing requirements of the home market, that they had neither the time nor the necessity to study the requirements of export trade, and with few exceptions possessed neither the knowledge nor the export organization to enable them to take immediate advantage of the unique opportunity which was so suddenly created.

UNITED STATES QUICK TO GRASP SITUATION.

Consequently, their United States competitors, thanks to their existing export experience and organization, were quicker to grasp the situation, and representatives of all classes of trade hurried across the Atlantic, and were already in England, France and elsewhere, provided with the samples, prices, and definite information which were absolutely indispensable in securing orders, at a time when most Canadian firms were endeavouring to obtain preliminary information about prospects through the medium of correspondence.

It seems necessary to clearly appreciate the peculiar situation which existed in order to remove a good deal of misconception which apparently prevailed, and in some cases still prevails, whereby apathy and disregard of Canadian interests are attributed to the British and Allied Governments and business firms, and upon the other hand it is equally necessary to remember that Canada being enveloped in the war was beset with manifold difficulties from which the United States was immune, and in addition was herself only emerging from a period of reaction, a combination of circumstances which undoubtedly retarded action.

The success achieved by the comparatively few firms who were able to promptly send over representatives fully equipped with samples, prices, and guarantees of delivery, however, affords pretty certain proof that it was the absence of such facilities that caused much business to go to the United States which the United Kingdom would have been only too rejoiced to have placed in Canada had not urgency of delivery been so acute.

CHANGE OF SITUATION DURING 1915.

The situation completely altered during the past year, and while the disadvantage created at the start has naturally been difficult to overcome, resulting from the energetic and far-seeing measures subsequently adopted by the Canadian and Imperial Governments, supplemented by the active and patriotic efforts of Canadian representative interests of all kinds, immense contracts for munitions and a variety of supplies for the use of the Allies have been secured for Canada, which, together with important trade orders obtained, have not only been invaluable in restoring normal conditions in the Dominion but have launched the country on a higher crest of prosperity and development.

At the commencement of the war requirements were mainly for military and naval supplies, but as such requirements have throughout been given priority, there has arisen, with the prolongation of hostilities, a gradually increasing shortage of most

commodities for ordinary trade purposes, and theoretically, Canada's opportunities seem to be bounded largely by her resources and capacity of production. It must, however, be remembered that under normal conditions the requirements of the United Kingdom are mainly food products, raw materials, and partly manufactured articles, chiefly for use in connection with home industries, and while it is premature to hazard the course of future events until the fiscal policy of the United Kingdom, and also of the British Empire, after the close of the war has been definitely decided upon, the greater development of Canada's natural resources and increased production should be the most important factors in the development of permanent export trade.

CONDITIONS IN THE UNITED KINGDOM.

While the trade of the United Kingdom has been maintained to a remarkable degree under most difficult circumstances, owing to our control of the seas and the financial strength and stability of the nation, and immense quantities of foodstuffs and supplies of all kinds have been imported without serious interruption, the endeavour of British manufacturers and merchants to regain the home market for goods previously imported, and their campaign to capture within the Empire and in foreign countries trade previously held by Germany and other enemy countries, have gradually disclosed a position of affairs which is far from satisfactory, and points to the urgent necessity of drastic adjustment and alteration, both in policy and methods, if the trade supremacy of the United Kingdom is to be retained.

The system of free imports has resulted in the manufacturers of certain countries whose industries are heavily protected, dumping not only manufactured but partly manufactured goods and materials into this country at prices which frequently border upon actual cost, and are sometimes below it. The consequence has been that the British manufacturer, lacking protection of any kind, has been unable to compete profitably in certain directions, and has gradually withdrawn from the pursuit of industries which became permanently unprofitable; while in others he has become almost wholly dependent upon outside sources for many of the wholly and partly manufactured materials, in the absence of which the completion of his own productions is either greatly hampered or quite impossible. Of the real extent of the dependence neither the consumer nor the merchant and manufacturer had any clear or adequate appreciation until the war caused sudden and enormous demands for a variety of supplies, and the dislocation of trade resulting from the banning of enemy products necessitated alternative sources of supply for most commodities, including many of the necessities of ordinary life.

DEPENDENCE ON GERMAN PRODUCTS.

It was then gradually learned that not only are many of the articles which the consumer assumed were of British make, really of German or other foreign origin, but further that other countries, which had been regarded as possible alternative sources of supply, were similarly dependent upon the enemy manufacturer. Moreover, when the British manufacturer was confidently exhorted to win back the trade which had been captured by the enemy, he found himself visibly hampered in many directions, and an impression has gradually spread that cheapness and convenience, the two great advantages associated with the system of free imports, may be purchased at too high a price.

To take only one branch, German organization, combined with scientific research, had created practically a monopoly in the production of many chemicals and by-products, and also of some partly manufactured materials, which British manufacturers were importing and using as an integral part of their industries, and the defection of essentials in the process of production has created a gap impossible to bridge over, and broken links in the chain incapable of replacement.

No better illustration of this situation can be cited than the plight of British textile manufacturers, who have found it absolutely impossible to obtain aniline and other dyes only procurable from Germany because the production of essential inter-

mediate products had become practically a German monopoly, while the restoration of the British industry necessitates a capital expenditure and employment of scientific research which it is almost impossible to achieve under present conditions.

Similarly, furniture and chair makers discovered that finished canes and reeds were unprocurable, because a German trust had secured the control of the industry, and by their operations had driven practically all manufacturers of these products in this and other countries out of business.

British manufacturers of pianos had found it convenient to obtain their supplies of important component parts, notably piano actions, almost entirely from Germany, and when opportunities arose for extending export trade in British pianos, found themselves suddenly robbed of one of the most integral parts of their industry.

BRITISH INDUSTRIAL PROGRESS.

While something has been accomplished, and a number of examples of new industries and developments in existing ones, was exhibited at the British Industries Fair, organized by the Imperial Government upon the lines of the Leipzig Fair and held in London, similar obstacles have been encountered by the majority of manufacturers who have been investigating possibilities. Progress has, moreover, been hampered by the conversion of plants all over the country for the production of munitions or other Government requirements, the difficulty of raising capital necessary for the inauguration of plant, shortage of labour, reduced transportation facilities, and above all, hesitation to invest capital in industries which unless adequately protected by the imposition of protective import duties, must inevitably, in the due course of events, again be subjected to the same foreign competition, with which it would be just as impossible for the manufacturer to compete profitably.

This has been the experience of British Dyes, Limited, a company organized to undertake the production of aniline and other dyes which are so urgently needed by textile manufacturers and which, in spite of active Government co-operation and financial assistance, failed to receive the financial support of many of the large textile firms and other users, because in their opinion permanent success is impossible without adequate protection for the industry, whereby reasonable profits would be guaranteed.

However, discussions which are already being initiated with the object of restoring, maintaining and developing British trade after the war, disclose the existence of many problems the successful solution of which will necessitate the reconciliation of many divergent views and interests.

WORK AND CORRESPONDENCE OF THE OFFICE.

It will be appreciated that under the conditions ruling, the London office has been actively employed.

During the twelve months the number of letters received was 3,528; despatched, 4,299; while the interviews recorded totalled 1,649.

MANY INQUIRIES FOR CANADIAN PRODUCTS.

To take one branch of work alone, to which reference has already been made, inquiries were received from British and foreign firms as to the possibilities of obtaining from Canada no less than 160 different articles, several being repeatedly called for. While this list included many staples, it will be seen upon consulting the details reproduced below that a large number of the products and manufactures have not previously been exported from Canada, which usually necessitated special inquiry and investigation:—

Agricultural, Animal and Food Products—

Wheat, barley, oats, peas, haricot beans, onions, potatoes, chicory, apples, flour, macaroni, fruit pulp, canned and dried fruits, canned and dried vegetables, canned meats, canned salmon, canned lobster, eggs, poultry, turkeys, hay, hams, cheese, live cattle, horses and mules, frozen fish, salted fish, seal and cod oils, maple sugar and syrup, hogs' hair, hog and sheep casings, quills.

Wood and Manufactures—

Spruce, sapin, birch logs, handles (broom, tool, and implement), dowels, box boards, staves and headings, mouldings, skewers, veneer, chair stock, clothes pegs, pastry and meat boards, rolling pins, domestic and kitchen woodenware of all kinds, bentwood hoops, bentwood furniture, railway sleepers, telegraph poles, pit props, sieve rims, birch bark, cascara bark, hickory for golf shafts, wood pulp (mechanical and sulphite), compressed wood fibre, paper board, paper, kraft paper, dyewood extract, liquid resin.

Minerals—

Asbestos, mica, cobalt and nickel products, molybdenum, magnesite, manganese, antimony, graphite, infusorial earth, aluminium, zinc spelter, talc, soapstone and French chalk.

Manufactured Goods and Miscellaneous—

Wire nails, cement-coated wire nails, barbed and other wire, wire rods, steel round bars, steel forgings, iron, structural steel, bolts, nuts, screws, light flange rails, iron pipe, iron and steel products, machinery and engineering specialties, tools, rolling stock and railway material, hardware, enamelled ware, brass wire, brass sheets, brass caps for electric lamps, brass rods, ingot brass, tin foil, motor parts, leather and canvas articles, piano actions, chemicals, calcium carbide, potash and pearl ash, acetic acid, etc., toluol and benzol, picric acid, flux skimmings, lime ashes, potassium chlorate, bronze powder, fire hose (canvas and rubber), motor ploughs, hosiery, sweaters, knitted goods, underwear, flannelette and stockingette, sheepskin coats, cloth, twines, cords, cartridges, soda water siphons, celluloid, parabolic mirrors, typewriters, meters and phonographs, brooms and brushes, confectionery, glass bottles, raw linseed and other oils, crushed bones, furniture, electric pocket lamps and torches, electric pipe lighters, safety razors, aluminium collector bows, skis and snowshoes.

VISITS FROM FOREIGN BUSINESS MEN.

A feature deserving note is the very considerable number of calls paid to this office by foreign business men who were visiting London in order to obtain new sources of supply of goods, partly for campaign and partly for ordinary commercial purposes, and wished to ascertain to what extent and in what directions Canada can furnish what is required.

LYONS SAMPLE FAIR.

These visitors included Mr. M. L. Barnheim, Councillor of External Trade of France, representing the Lyons Sample Fair, which is being held next March, and which follows the lines of the well-known Leipzig fair. As it was desired to secure a Canadian display, the Commissioner General for Canada in Paris gave Mr. Bernheim a letter of introduction to this office, with the request for help to get him into touch with Canadian manufacturers and shippers likely to be interested. As a result Mr. Bernheim was given introduction to the representatives of all the Canadian business houses on record as having branches or agents in the United Kingdom, with whom he discussed matters, both individually and at a meeting convened, and if time permits, several Canadian firms are contemplating participation. Mr. Bernheim was of the opinion that it would be impossible to approach Canadian houses who are not represented on this side, although he was supplied with information and lists which would enable him to do so. It is intended to make the Lyons Sample Fair an annual event.

INFORMATION REGARDING EXPORT CONNECTIONS.

Canadian manufacturers and shippers applied to this office for information regarding 100 articles or lines produced in Canada in which they wished to secure export business, and while it was frequently possible from information collected, to place them in touch with firms prepared to interest themselves in the business and enter into negotiations, a considerable proportion of the applications also necessitated special investigations, often involving extended inquiries. This list included:—

Agricultural, Animal and Food Products—

Grain, potatoes, eggs, butter, salt fish.

Wood and Manufactures—

Timber of all kinds, birch lumber, refuse spruce dealing, handles, dowels, sashes, doors, mouldings, skewers, washboards, wooden toothpicks, kitchen woodenware, clothes pins, spool bars, wood split pulleys, railway sleepers, telegraph poles, match splints, rifle stocks, saddle trees, shingles, flooring, cloth rolling boards, wood paving blocks (creosoted and non-creosoted), wheels, ready-made houses, chair stock, bentwood, piano cases, collapsible chairs, office desks, hardwood and dining chairs, kitchen furniture, cascara bark, wall boards and sheathing, wood pulp, sulphate pulp.

Minerals—

Flaked graphite, asbestos (crude and fibre), magnesite (crude and calcined), mica, nickel ore, copper ore, platinum ore, silver and gold ore, iron ore, peat powder.

Manufactured Goods and Miscellaneous—

Screws, bolts, nuts, machine screws, etc., refined malleable castings, electric welded chain, galvanized wire, enamelled ware, iron and steel goods, steel filing cabinets, door bolts, steel drums and kegs, ingot brass, brass electric lamp caps, motor parts, plugs and sockets for shells, grey flannels, woollen blankets, elastic ribbed underwear, ladies' and children's underwear, cordage, ladies' velvet, felt, and straw hats, toys and fancy goods, doll novelty, brushes, chewing gum, chocolate bon-bons, milk bottle caps, flour and cereal milling plant, felt roofing, waxed paper, liquid fish glues, sponges, boiler compound, trucks, bifocal lenses, boots, safety razors, razor paste.

VISITS OF REPRESENTATIVES OF CANADIAN MANUFACTURERS.

A noticeable feature of the past year, of which mention has already been made indirectly, is the visits to Great Britain of the representative of many of the principal Canadian industrial enterprises, and also of merchants and exporters, with the object of investigating the prospects for business, not only temporary but future, in this and other countries, which, having resulted in a number of instances in the opening of branches or the arrangement of permanent representation, places the prospects of Canadian export trade upon a new basis, and marks the commencement of an era of special study and organization which should enable Canada to gradually acquire the position as an exporter to which her resources and circumstances entitle her. This movement has created much additional work for this office.

During the twelve months the principals, representatives, or resident agents of fifty-nine Canadian manufacturers or exporters have called at this office to obtain information about export prospects and the names of possible importers and buyers. Most of these applications have entailed long interviews and discussions, followed up in many cases by special investigation.

In this connection, it is convenient to repeat that it was arranged with the Acting High Commissioner shortly after the outbreak of war that all Canadian business houses wishing to make direct offers to British Government departments, or to get into personal touch with Government officials, should be referred to him as the recognized official channel of communication with British Government departments, while this office should deal with the requirements of ordinary trade. This plan has been observed throughout with satisfactory results, and the arrangements concluded whereby the Canadian Pacific Railway Company was appointed the purchaser of Canadian supplies for the Imperial Government, and the Hudson's Bay Company for the French Government, are proving of great advantage to Canadian visitors, and indeed to Canadian interests generally.

THE GROWING IMPORTANCE OF RESIDENT REPRESENTATION.

In the past, attention has frequently been directed to the desirability of Canadian manufacturers and shippers who sought export trade arranging for resident representation.

The urgency has greatly grown with the enlargement of opportunities, and it becomes increasingly clear that Canadian firms who seek definite and permanent results will find it necessary to have a suitable representative or agent continually in the country.

Most of the casual and new opportunities which are constantly coming up require the immediate availability of samples, prices, and other details which are necessary for the closing of actual transactions, and particularly in cases where Canada comes into direct competition with the United States houses, who are more largely represented in this country, a good deal of potential business has been lost.

It should further be remembered that a good proportion of London buying, particularly in Canadian manufactured goods, is for re-export or direct shipment to countries the purchasing of whose requirements is attended to in London, and in such cases the presence of definite details is almost indispensable.

At one time the majority of inquiries for Canadian goods emanated from commission and agency houses, and while this is still the case to some extent, a great many of the applications which have come in during the past year have been from business houses wishing to purchase definite supplies.

In some cases, of course, houses engaged in a similar line of business make excellent representatives, but in others, where technical or special knowledge is desirable, the services of a representative thoroughly familiar with the circumstances and position of the principals, are very advantageous, and frequently essential.

APPLICATIONS CONCERNING NEW SOURCES OF SUPPLY.

Another phase of activity has been an endeavour to ascertain for Canadian correspondents alternative sources of supply of goods, usually to replace commodities which were formerly imported from Germany and Austria, and also to some extent from Belgium and other centres of industry where production has ceased owing to the exigencies of war. While these requirements are largely for fully-manufactured articles, they include a considerable proportion of raw and partly-manufactured materials.

Fewer requests have come to hand from Canadian firms seeking agencies, due partly to contraction in Canadian buying, and equally probable to a greater recognition of the arrangement whereby the British Trade Commissioner in Canada looks after the interests of United Kingdom firms wishing to secure an export market in Canada.

In this connection it is opportune to record that considerable practical advantage continues to result from active co-operation with the Commercial Intelligence Branch of the Board of Trade, the offices of which are located in the same building. The board usually refers to this office inquiries which reach them relative to Canadian export trade, and upon the other hand, we consult them when we receive inquiries from Canada for British-made goods, or from persons seeking United Kingdom agencies. Officials of the Board of Trade have also upon occasions rendered valuable assistance in supplying technical and other information about specific commodities or branches of industry.

REPORTS.

During the year 24 reports were transmitted to the Department, although their compilation frequently necessitated the holding up of other work.

Under the particular conditions prevailing, it was considered expedient to deal with the Foreign Trade Returns of each month, calling attention to any outstanding features, and the Annual Trade Returns and periodical statistics have also been analysed from the point of view of Canadian interests. Other matters forming the subject of report included shipping, ocean freights, transportation difficulties, the Budget and new taxation, prices of food, condition of British crops, lumber (with special reference to British Columbia prospects), increasing shortage of fish supplies, the tea trade, the British Industries Fair, increased demand for Canadian hosiery and underwear. Resulting from information which reached this office, or from applications for information received from Canada, reports were also drawn up dealing with the demand and prospects for a variety of Canadian exports, including: eggs, poultry, butter, cheese, and other provisions, potatoes, onions, peas, canned tomatoes, apples, frozen salmon and other fish, match wood and match splints, paving blocks, cedar sleepers, broom handles and other wood manufactures, chair parts, hemlock tanning extract, magnesite and mica.

BRITISH COLUMBIA AND OTHER LUMBER.

The forestry resources of Canada have loomed largely in the year's work. Restricted shipments of Scandinavian and Russian timber necessitated new sources of supply, and directed attention in particular to the forestry resources of British Columbia.

Two lines of particular interest were railway ties and telegraph poles, while the possibilities of dimension timber and box shooks were also the subject of considerable inquiry at this office.

A noteworthy event was the opportune visit of the Special Timber Trade Commissioner, who, mainly with the object of securing a more extended export outlet for British Columbia and other lumber, inaugurated in this country a trip which he is undertaking to the principal timber markets of the world. Although immediate trade

possibilities were greatly handicapped, and in some cases practically nullified, by lack of means of transportation and almost prohibitive rates of freight ruling, Mr. MacMillan, with his expert technical knowledge, was able to place before the trade of this country the infinite timber resources, together with the qualities and advantages, of the principal varieties of British Columbia and other woods to a degree not previously attempted, and it is certain that definite practical benefit must in due course result from his mission and the important connections which he established.

During a stay of several months in the United Kingdom, Mr. MacMillan made this office his headquarters, and the considerable information which had been collected not only relative to British Columbia and other Canadian timber, but to practically all varieties of wood products, including woodenware, was placed at his disposal, and considered by him of practical benefit in shaping his policy and determining action which he personally took in getting in touch with all phases of the timber trade.

DEMAND FOR MANUFACTURES OF WOOD.

In the past attention has constantly been directed to the valuable market existing in the United Kingdom for manufactures of wood of all kinds, such as box boards, broom, tool and implement handles, dowels, mouldings, and turnery and woodenware of all kinds, but as long as Canadian manufacturers were securing higher prices in their home market than were obtainable elsewhere, there was a natural reluctance to tackle the situation.

During this period of hesitation, Scandinavia and Finland seized the opportunity and organizing their industries upon an economic basis, secured a considerable proportion of the British trade which had formerly been held by the United States.

Dangers and restrictions of navigation in the North sea and Baltic, not only made freights and prices of wood rise to a level not previously reached, but in certain lines such as box shooks (or boards) the principal mills were called upon to fill immense Government orders, in addition to the usual trade demand. This situation ultimately decided one of the largest London dealers in box shooks to pay a visit to the Dominion in order to study the practicability of drawing supplies of shooks from Canada.

Similarly, when the Imperial Government decided to investigate the feasibility of manufacturing ammunition cases under their own supervision, instead of purchasing them complete from United Kingdom manufacturers, the question of obtaining supplies of box shooks from Canada was looked into, and at the invitation of the Munitions Committee, evidence was given by this office relative to the ability of Canada to furnish the enormous quantity of box boards required, and the present position, extent, and possibility of development of the industry in Canada.

A large number of inquiries have come in during the year for all kinds of manufactures of wood, while a considerable number of Canadian woodworking manufacturers have advised us of their desire to secure export orders. While some connections have been effected and one importer and agent, who was induced to visit Canada, reports having arranged to take the output capacity of several factories, it is certain that at present the industry does not possess the organization necessary to permit of permanent competition with other sources of supply.

The majority of factories in Canada, instead of ensuring the maximum output capacity at the lowest cost of production by running uninterruptedly upon a few selected lines, produce a large variety of goods of different kinds at an obviously enhanced price, the loss in economy frequently representing the difference between profit and loss when export trade is aimed at.

While some few varieties of wood have to be imported, the woodworking industry is one for which Canada possesses almost unequalled natural resources, and it is generally admitted that the natural quality of Canadian woods is highly superior to that of the majority of her competitors who now contribute the world's supply.

It would certainly be advantageous if special factories could be devoted entirely to export trade, because apart from economy of production, the shapes and patterns required by this and other European countries differ so essentially from the types in use in Canada as to necessitate radical differences in production from the home output.

PROSPECTS FOR FROZEN FISH.

The great reduction in the constant and liberal supplies of fresh fish to which the population of this country has always been accustomed, has cut off an important source of food, the extent of the falling-off being apparent from the following official figures showing the total catch of wet fish (i.e. excluding shell fish) from England and Wales, Scotland and Ireland during the calendar years 1913 and 1914, and the first 10 months of 1915 for which statistics have so far been published:—

	1913. Cwts.	1914. Cwts.	1915 (Ten Months only.) Cwts.
England and Wales.. . . .	16,152,374	10,124,948	4,817,427
Scotland.. . . .	7,259,883	6,897,699	1,972,129
Ireland.. . . .	636,807	549,597	403,784
Total.. . . .	24,049,064	17,572,244	7,193,340

For some years past certain quantities of frozen salmon and halibut have been received from Canada, but frozen fish has never achieved any large popularity nor created any definite demand. For this reason, when the possibility of business was taken up with several of the most important London and provincial fish dealers, considerable apathy was evident, and a general doubt was exhibited as to the possibility of developing any successful or profitable trade.

However, during the summer, the Government, in connection with general action taken to maintain the food supplies of the country, decided to investigate the possibilities of Canada furnishing quantities of cod, haddock, herring, and other fish which are in staple demand, so the matter assumed a new aspect. With the co-operation of the Canadian Government, important trial shipments of these fish were made during the autumn, and distributed among the principal fish markets of the United Kingdom.

While the preliminary results are understood to be not wholly satisfactory, due not only to the conservatism of the trade, but also to certain defects in selection, packing, and similar details, and the general impression is that prices realized could only be profitable when supplies of fresh fish are lacking, it seems evident that if the present shortage of fresh fish continues, frozen or chilled fish will have to be substituted, and part of the difficulty may be overcome by storing shipments in cold storage so that they may be available for handling when favourable opportunities arise. It is understood that some dealers are indeed showing considerable interest in the project.

SOUTH AFRICAN TENDERS.

As many of the supplies used by the various departments of the Government of the Union of South Africa are purchased by the High Commissioner for the Union in London, through the system of tenders, Mr. W. J. Egan, the Canadian Trade Commissioner for South Africa, requested this office to ascertain if it would be possible for the High Commissioner to afford Canadian manufacturers and shippers better opportunities for tendering than at present exist.

It was found that while the attitude of the High Commissioner's office was sympathetic, and while it was stated that certain action had already been taken in this direction, there are considerable difficulties in the way, and that in any case, if only upon account of the great loss of time, it would be only possible to offer facilities to Canadian firms who maintain resident agents in this country. The whole matter however, is receiving consideration.

VARIETY OF INQUIRIES.

In view of the practically endless variety of Canadian matters about which information is applied for, endeavour is made to constantly improve and strengthen our supply of blue books, reports, and other works of reference, and several important additions have been effected during the past twelve months. Most of such inquiries would come under the general designation of routine work, of which there was again a large volume, any decrease in customs inquiries being far outweighed by the greatly increased demand for addresses of Canadian manufacturers and shippers of all kinds.

EXPORT DIRECTORY.

In this latter connection, the issue of a revised edition of the Export Directory of Canada was timely, and a considerable number of copies have been distributed among United Kingdom and also foreign firms who have inquired about Canadian trade.

BRITISH COLUMBIA TIMBER PAMPHLETS.

At the request of the Department of Forestry of British Columbia, and by arrangement with the Agent General for the province in London, copies of special pamphlets on British Columbia timber were distributed along the principal timber merchants in the London district, and thanks to the courteous co-operation of the Royal Institute of British Architects, and the Society of Architects, facilities were afforded for bringing the publication to the notice of the leading architects of the United Kingdom, many of whom were furnished with the pamphlets upon application. Distribution among provincial firms was undertaken by the other trade commissioners in their various districts.

EMIGRATION INQUIRIES.

While the customary supply of emigration pamphlets, both of the Dominion and Provincial Governments, have been kept in the office for distribution, there was a very great falling-off in the applications made for such information

GREAT BRITAIN.

REPORT OF TRADE COMMISSIONER.

(*Mr. F. A. C. Bickerdike.*)

MANCHESTER, January 15, 1916.

COTTON TRADE, 1915.

Although the cotton industry has contracted seriously and will probably continue to contract, there has been neither a panic nor disaster. The gradual enlistment of operatives has coincided roughly with shrinkage of demand. Business, however, is being done at very high prices and as a consequence competition has been invited from both the United States and Japan. The industry has also suffered severely from the congestion in transport which has prevented the movement of cotton to the mills, of yarn to the manufacturers, of cloth to the docks, and of ships from and to the ports.

THE CLOTH MARKETS.

The Board of Trade figures for the eleven months ended November, 1913, 1914 and 1915, show the total export of cotton piece goods, to be as follows:—

	Yards.
1913..	6,544,866,100
1914..	5,459,839,600
1915..	4,374,695,300

The figures to Canada are:—

	Yards.
1913..	98,192,900
1914..	65,880,500
1915..	58,748,600.

THE HOME TRADE.

The Board of Trade figures give no information about domestic business which is one of the features of the year's cotton trade. The incomes of that part of the community which uses cotton goods most have actually been increased by the war, and manufacturers of plain and fancy goods for domestic use have in many cases done better than expected.

The scarcity of dyestuffs has increased during the year and the higher prices of dyeing, printing and bleaching have affected business generally.

During the early part of the year manufacturers of various kinds of goods, and particularly of heavy goods, did a large business with the British Government as well as a considerable trade with the Governments of our Allies. These abnormal demands have done something to help manufacturers who would otherwise have been in difficulty.

THE YARN MARKETS.

The Board of Trade returns show the shipments of cotton yarn during the eleven months ended November 1913, 1914 and 1915, to be as follows:—

	1913. Lbs.	1914. Lbs.	1915. Lbs.
To Canada... ..	3,284,400	2,132,500	1,791,600
Total exports... ..	192,968,400	168,561,800	173,343,300

The yarn exports are thus seen to approach the normal. Large increases to Holland, enormous increases to France and a falling off in exports to the Near East are notable features. Ring yarns have been in better supply lately than mule, because they depend less on male labour, but the introduction of women as piecers may do something to redress the balance.

BRITISH INDUSTRY IN WAR.

The first full calendar year of the war shows that heavy losses have been encountered in a few important industries, but these are more than balanced by unprecedented profits made by a large variety of industries.

The whole engineering resources of the nation have been mobilized to such an extent that in the first week in December no fewer than 2,026 manufacturing establishments had been declared "controlled firms." Figures compiled by the "Economist" show that 720 industrial concerns publishing their reports during the first nine months of 1915, and having a capital of £531,678,701 made profits amounting to £52,881,300 or under £2,250,000 less than in the previous year. In analysing these figures it is seen that not only iron, coal, steel and shipping companies report large profits, but that increased earnings have accrued to breweries, gas, oil and trust companies and others. Shipping shows the greatest prosperity owing to phenomenal freight rates, while iron and steel and shipbuilding are next in order.

A trust company chairman at a recent meeting stated that of 150 home investments possessed by his company, one hundred had since the war yielded the same as in the year before the war, while thirty had paid less and twenty more.

THE PORT OF MANCHESTER.

The year 1915 has been a year of anxiety for the authorities of all the principal British ports. The weight of merchandise imported and exported was less than in pre-war times, but the difficulty in getting the imported cargo removed from the docks with anything like promptitude caused serious congestion. During the earlier months of the year the congestion at Liverpool was so acute that steamers laden with inward cargoes had to wait for weeks before they were accommodated with discharging berths. Latterly the position at Liverpool has much improved. At the Manchester docks the facilities for handling and despatching cargoes by rail are so complete that the port was kept free from congestion until quite recently. This recent congestion

is due to the inability of the railways to provide the necessary cars, which has caused the transit sheds to be blocked with cargo awaiting despatch. A very large proportion of the goods coming to Manchester has to be forwarded direct by rail to various works and mills in the interior. The trade at the port of Manchester has also been hampered for a considerable time by a serious daily shortage of dock labourers.

REVENUE OF THE PORT

The gross receipts of the Ship Canal Department for the first eleven months of the year amounted to £662,749, against £571,686, an increase of £91,063 over the corresponding period of the previous year. This increase has been mainly due to the advanced rates that have been put in force to compensate for the large amount expended in war allowances to all the employees, the high prices paid for all materials and the excessive cost of coal. The persistent demand for accommodation at the Manchester docks has enabled the company to put these increased charges in force.

CLEARING HOUSE FIGURES.

The Manchester Bankers Clearing House have issued their report on the transactions of the past year. The total is £351,705,431, which is 8.9 per cent higher than the total for 1914. The total figures have only been exceeded once before. At the end of 1878 the turnover was £70,000,000, and from 1879 it rose rapidly, with cycles of bad trade usually lasting from two to three years, and occurring every six or seven years until 1907. It then dropped with a period of bad trade lasting three years, but the recovery was equally rapid, and a large trade continued until the second half of 1913. Trade began to fall off nearly twelve months before the outbreak of the war.

MANCHESTER GRAIN AND MILLING.

The total quantity of grain (excluding oil seeds) imported into Manchester during the year 1915 was approximately 525,055 tons, compared with the final figures of 555,845 tons for 1914. Taking into account the condition of the trade and the few available sources of supply, the figures may be regarded as highly satisfactory.

The sources of supply were:—

	Tons—Approximate.
United States and Canada.. . . .	357,034
Argentina.. . . .	110,091
India.. . . .	57,930
Total.. . . .	525,055

The above figures represent wheat 450,442, maize 54,154, oats 11,739 and barley 8,720 tons.

Millers have experienced an active year's trade in flour. Many large Government orders were placed in the Manchester district. The price of bakers' grade fluctuated between 38 shillings and 49 shillings per 280 pounds.

LIVERPOOL IMPORTS FROM CANADA.

It is not possible to obtain detailed figures of Canadian exports to Liverpool during the past season except in the case of grain and dairy produce, the figures for which are given herewith, with comparative figures for the year 1914.

	1915	1914.
Wheat.. . . .bushels.	3,655,010	5,268,296
Oats.. . . ."	20,024	391,258
Barley.. . . ."	68,333	23,809
Cheese.. . . .boxes.	336,249	317,180
Eggs.. . . .cases.	77,705	35,576
Butter.. . . .packages.	8,057	65

MANCHESTER IMPORTS FROM CANADA.

The principal direct imports to Manchester during the past season of St. Lawrence navigation are given below, with the comparative figures for the season 1914:—

	1915.	1914.
Wheat.. . . . .bushels.	3,408,314	4,722,061
Oats.."	132,000	532,163
Barley.."	57,092	25,333
Cheese.. . . . .boxes.	93,299	38,569
Lard.. . . . .packages.	77,857	103,505
Canned meats.. . . .cases.	23,860	7,422
Pulp.. . . . .bales.	36,139	760
Pulp boards.."	6,647	8,728
Paper.."	10,948	1,584
Leather.."	2,671	3,254
Asbestos.. . . . .bags.	36,971	36,200
Wire nails.."	116,177	543
Wire rods.. . . . .bundles.	66,205	—
Wire.. . . . .coils.	44,635	—
Aluminium.. . . .bundles ingots.	36,620	16,560
Eggs.. . . . .cases.	11,953	3,358
Apples.. . . . .barrels.	33,546	30,435
Pickets.. . . . .bundles.	38,595	54,678
Spoolwood (birch).. . . ."	52,768	—
Carbide.. . . . .drums.	29,181	—
Egg liquid.. . . . .boxes.	674	—

FEATURES OF IMPORTS.

The first notable feature is the falling-off in grain imports direct from Canada, but this is accounted for by the difficulty in procuring steamers. Large shipments of Canadian grain have also reached Manchester and Liverpool from the United States ports; in fact this is an important feature of the past season's trade.

Heavy increases in the imports of cheese and eggs are shown, and these products have realized unprecedented prices. Pulp and paper imports have also increased abnormally, and large quantities of wire rods, nails and barbed wire are still coming to this district.

CORRESPONDENCE AND INTERVIEWS.

Nine hundred letters have been received and over eleven hundred despatched. These cover the usual routine of a government office, and outside of letters to the Department, many branches of Canadian trade have been written to in order to meet the abnormal demand for goods formerly procured from nations against whom we are at war. Interviews have been held with approximately five hundred visitors to the office, some of these resulting in successful business for Canadian manufacturers. Every facility has been placed at the disposal of both the British importer and manufacturer.

TRADE INQUIRIES.

Forty-nine trade inquiries were forwarded during the year for publication in the *Weekly Bulletin*, and in many cases important results have accrued.

The following articles have been inquired for from Canadian manufacturers and exporters:—

Furniture and chair stock, picture mouldings, buttons, asbestos roofing, asphalt cement roofing, floorings, tiles, builders' requisites, groats, wire rope, flax straw, hams and bacon, cheese, eggs, canned goods, cereal foods, poultry, tallow, potash, sulphur, wall paper, spruce timber, steel hoops, wire nails, wood-screws, tacks, spectacle lenses, aluminium powder, clothes-pegs, broom handles and egg liquid.

HOLLAND.

REPORT OF THE ACTING TRADE COMMISSIONER.

(Mr. Ph. Geleerd.)

ROTTERDAM, January 6, 1916.

TRADE CONDITIONS IN HOLLAND.

The year 1915 opened with unfavourable prospects for the Netherlands foreign trade, as the chief causes of general depression which prevailed in 1914 still existed. Before the war the peculiar geographical situation of this country was one of the chief factors, if not the chief factor, which contributed to the progress of its overseas and transit trade. At present the geographical position of Holland, surrounded by belligerent countries, is the chief cause of the decline in this traffic.

The total tonnage entering the port of Rotterdam during the year amounted to 4,224,805 tons net, a decrease of 5,226,886 tons as compared with 1914.

During the year changes in nearly all classes of business resulted from the war, often improvements, often the reverse.

As far as possible the Netherlands Oversea Trust afford their assistance to Dutch traders in enabling them to import goods from overseas for home consumption, or to re-export articles to Dutch colonies or neutral countries for consumption there.

TRADE WITH CANADA.

The trade with Canada has encountered many difficulties. The high freight rates and shortage of loading space had an unfavourable influence on the importation of Canadian merchandise. In normal years a large portion of the products from Canada imported into this country, and more especially into the port of Rotterdam, was transhipped and sold for consumption in Germany. Under the prevailing conditions the transit trade is shut off.

As the exportation from Canada to Holland of a number of commodities is prohibited, some inquiries received from Canadian exporters and Dutch importers regarding a market in Holland for Canadian articles could only be dealt with in connection with future business. Holland also placed certain articles on the prohibited list, consequently it sometimes happened that this office could not comply with the wishes of Canadian firms wishing to buy Dutch articles.

FUTURE OUTLOOK.

With regard to the prospects of the port of Rotterdam it is interesting to quote the statement which H.B.M. Consul General for the Netherlands, Mr. E. G. B. Maxse, made in his annual report recently published: "At the end of the war I am of opinion that, as far as the Netherlands is concerned, a great era of prosperity will set in, and not only for this country and its merchants and ports, but also for British trade. It would seem clear that, at all events for some years to come after the cessation of hostilities, Rotterdam will be the great port of entry for the Continent. For reasons which it is unnecessary to enlarge upon, both Antwerp and Hamburg will certainly not for many years to come attain their previous prosperity."

REVIEW OF OFFICE WORK DURING 1915.

The correspondence in this office during the year 1915 was as follows:—

Letters received.. . . .	802
Letters despatched.. . . .	947
Packages and parcels despatched.. . . .	264

The number of interviews, including those held outside the office, was 221.

Six trade inquiries were forwarded to the Department for publication in the Weekly Bulletin.

INQUIRIES FROM CANADIAN FIRMS.

During the year under review trade matters and other subjects were investigated on behalf of Canadian inquiries desirous of establishing or extending their business with Holland, or requiring special information.

In practically all cases Dutch concerns engaged in the trades in question were consulted in order to secure full particulars or with a view to placing them in touch with the Canadian firms.

All possible information concerning prices, market conditions, statistics of imports, names of importers, exporters, and agents, etc., was forwarded direct to the Canadian applicants.

The following are the principal subjects dealt with:—

Market in Holland for:—Amber mica, asbestos, crude, and asbestos fibres, bifocal lenses, blankets, white and grey, British Columbia lumber, appointment of agent in Holland, canned fruits and vegetables, closet seats, dowels, ironing-boards, folding chairs and tables, electric lathe grinders, electrical and steel sheet specialities, electric welded chain, galvanized wire, gasoline engines, grinding wheels, kitchen utensils, games and novelties, malleable iron castings, railway fog signal torpedoes, railway ties of British Columbia Douglas fir, safety razors, sheet metal products, steel office furniture, wood alcohol, Dutch Government tenders for delivery in 1916, wooden shoe shanks, clothes pins, and skewers, wrapping, parchment and tissue papers.

Importation into Canada of:—Aniline fur dyes, brush fibres, bulbs, fly papers, fusel oil, gin, groceries, glass and brass ware, hardware and groceries, nitrogen electric lamps (two enquiries), peppermint, pot opal and flashed colours glass, roasted chicory, and cheese rennet, tungsten lamps and electric fans, veneer goods, wood wool machinery.

Sundry subjects:—Analysis of bark of Canadian Balsamic woods in connection with the use of gum extracted from this kind of bark, apple market conditions in Holland, construction and equipment of flour mills, contracts in Holland and its colonies for the erection of structural work, dutch exporters of general merchandise, colonies for the erection of structural work, Dutch exporters of general merchandise, Dutch importers of fresh and dried apples, investments in Canada (four enquiries), process of dehydrating fruit and vegetables, in use in Holland, purchase of new and second hand vessels built in Holland, statistics of lumber imports into Holland during the war, storing goods in Canadian elevators and warehouses.

APPLICATIONS FROM DUTCH FIRMS.

Very often applications, either personally or by letter, were made by Dutch concerns with regard to Canadian Customs requirements, forms of invoice, rates of Customs duties, war measures, trade matters, statistics, etc., and in all cases the information required was promptly furnished.

DISTRIBUTION OF DIRECTORIES.

Copies of the Export Directory issued by the Department of Trade and Commerce, and the Canadian Index published by the Manufacturers' Association, were distributed to companies and firms in this country likely to be interested in Canadian products. Lists of addresses, taken from these directories, were also handed to callers requesting the names of exporters or manufacturers of certain Canadian articles.

DEPARTMENTAL PUBLICATIONS.

Reports published by the Department of Trade and Commerce, as well as publications received from other Departments, were regularly forwarded to Chambers of Commerce, Intelligence Offices, and other interested parties.

REPORTS FOR PUBLICATION IN THE WEEKLY BULLETIN.

The following reports were forwarded to the Department for publication in the Weekly Bulletin:—

Date.	Subject.	No. of Bulletin
January 8	Annual address of the Chairman to the Rotterdam Chamber of Commerce regarding trade conditions in Holland; Effects of the war and future outlook	675
January 14	Circular letter issued by the Netherlands Trans-Atlantic Mortgage Co., Amsterdam, referring to Canadian conditions and investments; Dutch War Loan; Netherlands Oversea Trust	576
February 2	Dutch butter and cheese industry; production and exportation; farm dairies and creameries; co-operation; butter control system; different kinds of cheese made in Holland; cheese control mark	579
March 1	Netherlands trade and the war; decline in trade and shipping; prices of American wheat flour; wheat imported by the Dutch Government	584
April 1	Fruit and Vegetable growing in Holland; export of fruit and vegetables; fruit and vegetable growing districts; the "Westland" and its intensive cultivation; Orchards in the "Betuwe"; organization and marketing; automatic electric apparatus at co-operative auction marts	587
April 15	Condition of winter crops in Holland	588
May 3	Netherlands shipping; the Dutch merchant fleet; shipping at Rotterdam; Loan for the Netherlands East Indies	591
July 3	Effect of the war on the fisheries of Holland; herring catch; trawl fishing; shell-fish trade; river and inland fisheries; shipments from North America to Holland by Holland-America Line	600
July 14	Crop prospects in Holland	604
September 27	Dutch building trade; diamond industry; Dutch ships sold abroad; ship-building; increased cost of living; field crops in Holland	612
November 6	Proposed new and revised taxes in Holland; prices of flour and bread . . .	619
December 29	Trade Returns of the Netherlands for 1914; importation and distribution of maize	626

SPECIAL ENQUIRIES FROM THE DEPARTMENT.

Acting under the instructions of the Department of Trade and Commerce, information was gathered regarding the following trade matters:—

Methods adopted in Germany in building up her export trade, market for shingles in Belgium and Northern France, Bentwood furniture, potato flour machinery.

DUTCH PRESS ARTICLES.

Articles dealing with, or of interest to Canada appearing in the Dutch Press were translated and forwarded to the Department.

MARKET FOR BRITISH COLUMBIA LUMBER.

Last year special efforts were made to acquaint the Dutch importers with the merits of British Columbia lumber, with a view to a possible market in Holland.

This office distributed to the principal lumber dealers and others concerned circulars supplied by the British Columbia Government, giving a description of the uses and qualities of the four principal woods for export, from British Columbia, viz., Douglas fir, Red cedar, Hemlock, and Sitka spruce. The importers were also furnished with well selected small samples of Douglas fir, sawn edge grain and sawn slash grain, and small samples of Red cedar. Many letters were received expressing their appreciation and asking for the names of the firms exporting the woods in question, and these addresses together with other information were readily furnished. The names of a number of Dutch enquirers were forwarded to the Department of Trade and Commerce.

Further, a large number of pamphlets, published by the British Columbia Government, dealing with the forest resources of British Columbia and facilities for exporting the forest products, were mailed to lumber importers, chambers of commerce, intelligence offices, railway companies, etc.

No direct results have so far been attained, chiefly on account of the exceedingly high cost of transportation, but when normal conditions again prevail further endeavours will be made to establish a footing in this market.

Mr. H. R. Macmillan, the Special Trade Commissioner, visited Holland for some time with a view to investigating the market for lumber and timber; any assistance and information required were promptly given. His report on the timber trade of Holland was published in Weekly Bulletin of November 15, 1915, No. 616.

EMIGRATION TO CANADA.

A decrease in the number of inquiries regarding emigration was noticed in comparison with previous years. Applicants were supplied with emigration literature in the Dutch and Flemish languages, and maps of Canada. The address of the chief officer of the European Emigration Service, in London, was also furnished to those who required more detailed information.

During the early part of the year, Mr. E. B. Elderkin, the Special Commissioner of Emigration for Nova Scotia, visited this country, and every possible assistance was rendered to him in his efforts to induce Dutch families to settle in Nova Scotia. Eight Dutch families went to that province during last season.

ASSISTANCE TO CANADIANS INTERNED IN GERMANY.

This office was acting for the High Commissioner's office in London in remitting money and transmitting correspondence to Canadian citizens interned in Germany, and forwarding correspondence to their relatives in Canada. In this matter special facilities were afforded by the Ambassador of the United States of America in Berlin. Also, through the courtesy of the Ambassador, a Canadian citizen, interned at Ruhleben, was furnished with literature bearing on Canada, which aided him in preparing a lecture of interest to the men detained there.

A number of Canadians, who were allowed to leave Germany, arrived at Rotterdam en route to Canada. This office arranged passages for them to London or Montreal and assisted them in every possible way while in Holland.

MISSING RELATIVES OF BELGIANS.

Through the High Commissioner's office Belgians living in Canada requested information concerning the whereabouts and welfare of their relatives in Belgium.

Such inquiries as were practicable were instituted in Belgium as well as in the Netherlands. For the investigations in Belgium recourse was made on the kindness of the secretary of the American Legation at Brussels.

NEWFOUNDLAND.

REPORT OF TRADE COMMISSIONER.

(*Mr. W. B. Nicholson.*)

St. John's, January 10, 1916.

REVIEW OF THE YEAR 1915.

All things considered the year 1915 has been one of the most successful Newfoundland has ever known, despite the failure of the seal, lobster and whale fisheries.

THE COD FISHING INDUSTRY.

The prosperity attained is in a large measure due to the unprecedented prices paid for both shore and Labrador codfish, the excess averaging 40 cents a quintal. Figures of the catch from year to year are never tabulated accurately, and consequently only an approximate of the total is possible. Trade bulletins, however, place the catch at

1,277,539 quintals, and the total value at \$8,466,854. The advance of 40 cents a quintal on the total production will mean an increase of at least half a million dollars over the previous year, and this is reflected in a large measure by the enhanced prosperity of the people.

THE SEAL FISHERY.

The seal fishery was the poorest recorded since the introduction of steamships into the industry, a fact wholly due to the entire fleet of thirteen steamers being caught and held in the ice until the season during which seals could be secured had passed. The total catch amounted to only 47,004 seals, compared with 233,719 in 1914; a decrease of 186,715 seals, while the net value was lessened by \$404,009. The greater portion of the loss, however, fell upon the owners of the steamships, as under the usages of the voyage the owners outfit the venture, and the industry being carried on at a season when little else is doing, the relative loss from the standpoint of the worker is not as great as it would be under different conditions.

The sealing fleet in 1916 will be the smallest in modern times, a fact due to the Russian Admiralty having purchased five of the finest steamers of the fleet, thereby reducing the industry to old time conditions when nine or ten wooden vessels of a type almost extinct will prosecute the seal fishery with reduced crews.

THE LOBSTER INDUSTRY.

The lobster fishery resulted in a pack of about 6,000 cases, as compared with 11,000 in 1914, and in value \$78,000, as compared with \$143,000 in the previous year. This industry has been declining in value and importance of late years, and during 1914, owing to the German market being closed, the industry practically collapsed, the prices dropping from \$25 per case to \$12, and sales even at the reduced prices being effected with much difficulty.

THE HERRING SEASON.

The principal herring fishery is carried on along the northeastern and western coast of the island during the last three months of the year, running usually into the first few weeks of January, when the seaboard freezes up and vessels have to escape being held in the ice until the spring, as sometimes happens.

THE WHALE FISHERY.

The whale fishery has declined so rapidly of late that it is scarcely important enough to attract notice. Only three ships were employed during the year. The total number of whales killed were one hundred and twenty-two, and it is understood that only one of the companies operating was successful in paying a dividend.

THE MINING INDUSTRY.

Factors more than making up for shortages in the minor fishing industry of the present year were the activities in the iron mines, paper mills and the increased operations in the cutting of pit-props for the British collieries, a new industry which the war has called into existence. The mining industry is confined to the production of hematite from deposits at Bell Island, some twenty miles from St. John's, where the Dominion and Nova Scotia Steel companies operate extensively, producing under normal conditions more than a million tons of ore each year. After the outbreak of the war in 1914 operations were practically abandoned until the end of the season because of the uncertainty as to how industrial and financial conditions would stand the dislocation caused by the conflict, but during 1915 operations were resumed on a gradually enlarged scale, plans being completed for future developments to an extent even greater than heretofore.

PULP AND PAPER PRODUCTION.

The pulp and paper industry in the interior of the island is represented by a pulp mill at Bishop Falls and a paper mill at Grand Falls, where operations are being carried on to fully the same extent as in previous seasons, and although the companies operating have suffered from war conditions by the reduced price of pulp and the increased cost of freighting, there is no sign of diminished operations of these plants. The cut of pulpwood in this industry for the season of 1914-15 was about 116,000 cords, 1,600 men being employed. The output amounted to about 60,500 tons of newsprint paper; 53,000 tons of ground wood-pulp, and 1,700 of sulphite pulp. The output of paper has increased nearly ten per cent and there has been a slightly increased production in the quantity of pulp manufactured. That the paper industry is increasing is evidenced by the fact that twenty-one steamers called at Botwood, the shipping port, as compared with fourteen in the previous year. The industry supports a monthly pay roll of nearly \$100,000.

THE CUTTING OF PIT CROPS.

The cutting of pit crops has now become one of the regular industries of the colony. About 75,000 cords were cut during the year just closed, of which about 65,000 cords have been exported, the remainder still waiting steamers to take it to market.

This industry employs about 3,000 men, most of whom work from November to April, which on the basis of \$3 a cord, would represent an outlay of about \$225,000. The material was exported to Barry, Hartlepool and Cardiff, which, it is said, gave such satisfaction that a still larger operation is planned for the present year. It is estimated that 120,000 cords, for which operators hope to secure an advance of one dollar a cord, thus enhancing the value of the industry to nearly half a million dollars, will be exported during the coming season. The enlargement of this and the mining industry will mean that large numbers of men who will be unable to find employment at the seal fishery will secure equally profitable and less hazardous occupations for the winter months.

REVENUE.

The prosperity prevailing in Newfoundland at present is reflected by the fact that the customs revenue from all sources is the greatest on record. The colony obtains most of its income through taxes on imports, the total customs revenue being about \$3,500,000 out of a grand total of about \$4,000,000, the balance being supplied from Crown Lands and other sources. In 1914, partly owing to large reductions of duties made the previous year and to the coming on of the war, there was a serious shortage in the revenue. On the operations of the fiscal year which ended on June 30, 1915, the colonial revenue showed a deficit of about \$700,000. Realizing this, the legislature imposed war taxes resulting in an enormous increase in the revenue, particularly during the period from July 1 to December 31, when the customs receipts increased \$430,000, and it is estimated that the other sources of revenue will show an increase of \$70,000, or half a million dollars for the half year. If anything like the present rate can be maintained during the next six months, and there seems no reason why it should not, the authorities look for an actual surplus of revenue over expenditure when the accounts of the current year are closed.

TRADE.

The following statement shows the export of fishery products and the imports of certain commodities for the calendar years 1914-15, it being impossible to obtain figures for other items as they are not tabulated:—

<i>Exports.</i>		
	1914.	1915.
Codfish, Qtls.—		
Portugal.. . . .	19,238	78,295
Spain	90,472	112,818
Italy	116,992	122,691
British West Indies	83,945	89,907
Brazils.. . . .	341,147	333,968
Dominion of Canada.. . . .	3,940	6,408
England.. . . .	13,461	27,523
Scotland.. . . .	150	.....
United States.. . . .	10,117	7,923
Other parts.. . . .	65,626	30,885
Seal Oil, tuns—		
United Kingdom	1,422	802
Other parts.. . . .	1,937	201
Cod Oil, tuns—		
United Kingdom.. . . .	1,199	1,121
Other parts	3,697	2,567
Seal skins, Number—		
United Kingdom	93,013	1,082
United States.. . . .	156,800	78,950
Salmon, trcs.. . . .	2,911	3,009
Mackerel and herring, brls.. . . .	36,552	51,109
Whale oil, tuns.. . . .	459	271
Cod Liver Oil, tuns.. . . .	81	379
Guano, tuns.. . . .	174	164
Trout, brls.	1,785	974
Lobsters, boxes.. . . .	2,818	5,330

<i>Imports.</i>		
	1914.	1915.
Flour, brls.. . . .	293,300	288,545
Oatmeal and rolled oats, brls	4,459	5,242
Pork, brls.. . . .	27,599	32,923
Beef, brls.. . . .	27,689	26,346
Butter, cwts.. . . .	5,573	4,138
Rum, puns.. . . .	432	215
Molasses, puns.. . . .	11,240	11,479
Sugar, cwts.. . . .	79,097	73,280
Sugar (refined), cwt.. . . .	46	.....
Coffee (green), cwt.. . . .	46	23
Tobacco, lbs.. . . .	94,940	129,870
Tea, lbs.. . . .	926,540	902,645
Soap, boxes.. . . .	13,090	12,566
Cheese, cwt.	3,207	2,408
Salt, tons.. . . .	38,025	39,785
Coal, tons.. . . .	101,525	73,725
Pitch and tar, brls.. . . .	2,526	1,920
Potatoes, brls.. . . .	38,013	25,774
Oats, bush.. . . .	323,337	195,999
Kerosene oil, brls.. . . .	32,480	30,687
Oxen and cows, No.. . . .	1,642	1,186
Sheep, No.	1,235	736

THE WORK OF THE OFFICE.

Dealing more directly with the work of the office, which was established in the year 1906, certain details may be of interest. Having in mind the object of its existence to be the fostering of trade between Canada and the Colony of Newfoundland, acquaintance with those engaged in business and a readiness at all times to furnish information that might result in increasing imports from the Dominion have been the chief object in view. Results have shown this to have been a practical course. Practically every business concern of importance both in the city and some of the nearer

outports have been interviewed. Opportunity for extended effort along this line however, was prevented on account of distance and the difficulty in reaching some of the larger outside business centres. In this connection it should be noted that the trade in recent years has been gradually but positively distributing over the Colony a fact made possible by railway extensions and improved coastal services. St. John's was formerly the distributing centre through which all shipments from abroad reached their destinations, while now many imports come direct to buyers wherever located. For this reason it has been found impossible to obtain personal contact with outport merchants, many of whom are hundreds of miles distant.

NEWSPAPERS, JOURNALS, DIRECTORIES AND CATALOGUES.

The office has been liberally supplied by the Department with leading Canadian newspapers, journals, export directories and catalogues from various firms, and are carefully distributed, with gratifying results. Frequent inquiries made for these publications indicate their importance and value to the general trade of the colony.

It is thought, however, that a more business like circulation of trade catalogues accompanied with export prices of standard commodities, discounts and other useful information to purchasers would result in a still larger volume of imports from the Dominion.

NECESSITY OF REPRESENTATION.

Of special importance is the necessity for Canadian manufacturers and traders to send representatives to interview the trade. Already a number of Canadian houses have by this means established profitable business connections, and the volume of trade thus secured shows satisfactory results.

INTERVIEWS AND CORRESPONDENCE.

During the year four hundred and fifty-two interviews were accorded to callers, many of whom were furnished with information sought respecting subjects relating to Canadian manufactures.

The correspondence of the office covers inquiries regarding trade with the Dominion and represents considerable care in the compilation of accurate data. The number of letters received and despatched was 414, of which 204 were received and 210 despatched.

INQUIRIES.

Three hundred and sixteen Newfoundland inquirers were furnished with the names and addresses of nine hundred and eighty Canadian manufacturers and traders. Forty-four inquiries by Newfoundland importers were forwarded to the Department for publication in the Weekly Bulletin, and comprise the following commodities:—

Portland cement, ships blocks, dry goods, stationery, peas and beans, flour, tinned meats, condensed milk, hams, bacon, butter, cheese, khaki cloth, sewer pipes, cooperage machinery, carriage builders supplies, harnesses, wall paper, agricultural implements, tinned fruits, jewellery, skewers, hosiery, blankets, hospital supplies, onions, hay, oats and mill feeds, laundry soaps, tea, tweeds, apples, pineapples.

NEW ZEALAND.

REPORT OF TRADE COMMISSIONER.

(*Mr. W. A. Beddoe.*)

AUCKLAND, December 24, 1915.

ANNUAL REVIEW.

A year of war has left an indelible mark upon the commercial and social life of New Zealand. Many families mourn the death of sons and brothers. The most prominent business men in the Dominion have contributed to the Citizen Army, sharing honours with the other portions of the British Empire.

Banks, commercial houses, educational institutions and the professions have been drawn up extensively, and agriculturalists have already experienced a shortage of labour. The effect of the war is obvious in many directions.

COUNTRY ENJOYS GREAT PROSPERITY.

Commercially the country never enjoyed such a period of prosperity. The trade returns for the year show a very substantial balance in favour of New Zealand as the exports are the largest in history, the imports being much below the exports. The banks have ample money for all purposes, and, while economy is exercised in public works, improvements are being carried out.

NOT ANXIOUS TO EXPAND BUSINESS.

Importers are buying only what the necessities of the moment demand. In fact the largest houses state that they are not anxious to extend their business during the war. One of the reasons commonly advanced is that so many young men from offices and warehouses have gone to the front.

SHIPPING FACILITIES INADEQUATE.

The operations of importers have been hampered by a difficulty in getting orders filled, and also by a serious shortage in shipping. These disabilities appear to be general throughout the Empire. All space has been taken in the regular vessels leaving Canada for New Zealand both from the East and West Coast. In addition, a number of cargo boats have made special trips to New Zealand from the West Coast, calling at San Francisco en route.

LARGE INCREASE IN TRADE FOR YEAR.

A significant fact and a very gratifying one is that notwithstanding the war, and despite the disabilities alluded to, trade with Canada has grown from £493,733 (\$2,468,665) for the December, March, June and September quarters 1913-14, to £666,784 (\$3,333,920) for the corresponding quarters in 1914-15, an increase for that twelve months of £173,051 (\$865,255).

MOTOR TRUCKS.

All material arriving in Auckland has to be carted either to the railway or to a warehouse. Several large carrying institutions employing hundreds of horses and wagons are engaged in this business. Early in the year attempts were made to introduce a Canadian motor truck into New Zealand. The carriers agreed to test one if sent out. Arrangements were accordingly made with a representative to be responsible for a

truck and see that a proper demonstration was made, and if satisfactory to buy the vehicle. Correspondence ensued, but no truck was sent from Canada. In the meantime other makers are introducing their trucks on the market. A good motor truck would be a ready seller in New Zealand. When a manufacturer who is willing to export seeks the advice of trade commissioner, it would be advisable to follow the advice given as promptly as possible. Other makers being quick to follow up opportunities of doing business.

WHEAT AND FLOUR.

A good business has been done in wheat and flour, the Government being large purchasers of the former. As to the latter, many applications for quotations by cable for large quantities were forwarded, resulting in heavy importations.

BASIC SLAG.

This commodity heretofore came from Germany. There have been some indents from England, but transportation disabilities have interfered with the business. Nova Scotia firms were placed in touch with buyers and arrangements were made to ship on the conclusion of existing contracts.

CLOTHES-PINS IN DEMAND.

An agency was established to import clothes-pins in carloads. The Canadian firm seeking this business at the time was anxious to quote. After a time, however, although extensive orders were sent, there was no response. A very large business might have been done in this commodity.

WRAPPING PAPER AND STATIONERY.

Firms indenting these goods were placed in direct touch with Canadian shippers, and business, which started in a small way, is likely to develop in the future.

NEWS PAPER.

The demand for news paper always exceeds the supply. The Montreal boats, sailing direct, brought many tons less than was required or expected. The liners from Vancouver were also short in shipments, and special vessels were despatched to make up the necessary stocks. The demand for news paper in New Zealand will in all probability steadily increase. It was thought some time ago that this product could be locally manufactured, but this hope has not been fulfilled. There is no wood of suitable fibre in New Zealand for the making of paper.

EXPLOSIVES USED IN MINING.

The coal mining companies have contracts with English firms for explosives. These have been difficult to secure during the war, but as long as the contracts run the Canadian manufacturer cannot obtain the business. Several large companies have promised to give a trial to the Canadian article.

CANNED FISH FROM NOVA SCOTIA.

Arrangements were made with selling agents to dispose of large quantities of lobsters. The exact results have not as yet been ascertained.

CANNED FRUITS.

Purchasers were placed in touch with exporters, and a large business is being transacted. This business is assuming a permanent character.

IRON PIPING.

Arrangements were made with the manufacturer and the buyer, resulting in large quantities of piping being shipped. The purchase of piping is determined by the tonnage the Canadian manufacturer is willing to sell.

IMPORTS OF LUMBER.

This subject will be exhaustively discussed with the Special Timber Trade Commissioner on his arrival. The position has not varied from that placed before the Department in special reports on several occasions. There is a market for the timber, but the conditions, which cannot be varied at this end, are unfavourable. It is largely a question of price, and means of transportation.

FRESH FRUIT.

British Columbia exporters have been kept in close touch with the New Zealand buyers, and large quantities of apples of excellent quality have arrived in due season. The trade in British Columbia apples is likely to be permanent.

FISH FROM PRINCE RUPERT.

Acting on a suggestion from this office, fresh salmon and halibut were shipped from Prince Rupert. A trial shipment of several tons was well received. This is a business susceptible of great development.

RUBBER ROOFING MATERIAL.

A number of importers have inspected samples of rubber roofing sent by Canadian firms to this office, with the result that correspondence has taken place and business will probably be done. This roofing cannot now be obtained from the customary sources.

CHOCOLATES AND CONFECTIONERY.

Importers of these articles have been placed in touch with a Canadian manufacturer and names were submitted from which agents can be selected. A good business is already being transacted.

FREIGHT RATES INCREASING.

It is impossible at this distance to know anything about freight rates. By the time the schedules reach here from Montreal, another change has taken place. At present, rates are very high, and this has an effect upon the sale of the cheaper articles.

SATISFACTORY QUOTATIONS.

It might be well to again remind Canadian exporters to quote C.I.F. & E., but at least C.I.F. An F.O.B. quotation does not disclose a price at which goods can be offered, because ocean freight rates are not obtainable in New Zealand.

Any inquiries directed to the Trade Commissioner, Customs street, Auckland, will receive prompt attention.

CANADIAN-EASTERN SERVICE.

The service between New Zealand and Eastern Canada has been fairly well maintained, although there has been a difficulty in securing vessels. The demand for freight space has been great, and at one time there was a threatened shortage of news paper in New Zealand. However, special shipments were made from the West Coast and this difficulty was averted.

There is dissatisfaction on account of freight rates. While the contract provides that the rates from Eastern Canada shall not exceed those from New York, it

is found that a shortage of shipping from the latter port has the effect of increasing rates, and the Canadian rates then rise in sympathy. There are other anomalies. At the moment the rate for piping from England is 60s. per ton, and from Canada 100s. per ton. Considering everything, the New Zealand importer is making the best of things and is not inclined to be unduly critical.

With the assistance of the New Zealand Shipping Company, the following approximate percentages have been prepared:—

	Per cent.
Paper (all classes)	39
Pipes (plain and galvanized)	20½
Nails and staples	6
Wire	5
Chairs and furnishings	5
Plaster	5
Carbide	4
Agricultural tools and machinery	3
Fruit jars	2
Hardware	2
Provisions	2
Motor cars and parts	1
Clothes pegs	1
Wheels and rims	1
Carriage ware, wood alcohol, drapery, seed, beaver boards, rubber goods, canned apples, wheat, lime, wyandotte	3½

It will be observed that news paper has fallen off 11 per cent; piping has risen 17½ per cent; nails have increased 2 per cent; wire has gone down 5 per cent; carbide has gone up 1½ per cent; chairs and furnishings have risen 3½ per cent; plaster has increased 3 per cent; agricultural implements have declined 7 per cent; hardware has gone up one per cent; fruit jars are down 2 per cent; motor cars and parts have decreased 1 per cent.

In addition to the freight arriving from Eastern and Western Canada, a large quantity arrives via New York which is not included in the following figures which give a comparison of the tonnage carried from Eastern Canada to New Zealand for the year 1914 and 1915:—

Year.	Auckland.	Wellington.	Lyttelton.	Dunedin.	Total Tons.
1914.....	10,996	14,254	5,848	5,138	36,236
1915.....	10,240	15,828	5,927	4,331	36,326

VANCOUVER SERVICE.

The service between New Zealand and Vancouver is extremely popular. During the early days of the war there was some anxiety in consequence of the proximity of enemy vessels, but no untoward circumstance occurred. The boats engaged in the service during the year carried 1,999 passengers and 13,615 tons of cargo from Canada to New Zealand, while from New Zealand to Canada 1,796 passengers and 13,392 tons of cargo were carried.

CORRESPONDENCE AND INTERVIEWS.

The number of letters received by this office during the year was 782; letters sent, 1,395; and interviews, 583. There were fewer interviews during the year, arising from the fact that business between Canada and New Zealand has assumed a settled and permanent character. These figures do not take into account interviews and conversations on business subjects which occur outside the office, neither do they include telephone calls.

CANADIAN CORRESPONDENCE.

A large amount of information has been sent to Canada in response to inquiries on a variety of subjects. In this connection it should be remembered that the distances being great, prompt and exhaustive replies to letters would greatly facilitate matters. A constant source of complaint here is that letters sent by business houses elicit no reply. This should be avoided.

REPORTS.

The following reports have been submitted during the year 1915:—

- 13 ordinary monthly reports.
- 1 annual report, 1914.
- 1 annual review, 1915.
- Total reports, 1915, 15.

HIGH PRICES FOR PRODUCE.

The basis of prosperity has been the increased production throughout a fairly good season, and the increased prices secured for produce. Money is plentiful and never before have the banks been in the possession of such large funds as when business terminated on December 1, 1915.

NEW SUPPLIES OF IMPORTED GOODS.

When the figures are available for the last quarter of 1915 it will be probably found that the countries benefiting the most from the cessation of supplies from Europe will be the United States and Japan. Large quantities of Japanese toys and fancy goods have been imported during the last few months. This applies also to druggists' supplies in the case of small bottles.

SUMMARY.

During the past year a period of remarkable prosperity has been experienced by the mercantile community. Effects of the war have dominated all other influences, and, while difficulties have been experienced in securing supplies and in finding substitutes for commodities previously drawn from continental sources, the greatly increased spending power of the people has provided a generous compensation.

The previous year was one of rapidly changing conditions. During the early part of it commercial activity was still restrained by the disturbance caused by the great strike. The autumn months marked by a world-wide relaxation of the money market, permitting public and private loans to be negotiated on exceptionally easy terms. Then came the outbreak of war, introducing a factor in trade relations whose probable effects could not be judged from any practical experience of past years.

The general excitement that prevailed during the first months of war was succeeded by a calmer comprehension of the situation, and the year closed with a general activity that exceeded the most sanguine expectations. From whatever point of view the trade of the past year is considered, the outstanding feature is that in every respect the most hopeful expectations were exceeded.

Even though the first shock of war was over by the close of 1914, there were still grave doubts in many minds regarding the future. It was openly stated by presumably well-informed trades people that even if the country in general remained prosperous as a result of profitable sales of produce, there would be numerous failures during the year and, therefore, the utmost caution was necessary. This forecast has not been realized in any respect. The country is actually more prosperous than it was a year ago, and if it had not been for the gloom cast over thousands of families by the terrible loss of relatives and friends, this Christmas would have been spent under far more easy conditions of mind than prevailed last year.

NORWAY AND DENMARK.

REPORT OF COMMERCIAL AGENT.

(Mr. C. E. Sontum.)

CHRISTIANIA, January 11, 1916.

MONTHLY REPORTS.

During the year 1915 twelve monthly reports were sent to the Department for publication in Weekly Bulletin dealing with different subjects with reference to Canadian trade and other matters of interest. As correspondence received from several Canadian houses indicates that much attention is paid in Canada to the Norwegian pulp and paper market, a good deal of space has been given to this matter. Several of the reports have resulted in inquiries about different subjects from Canadian business men, which were attended to as well as possible, and all available information was obtained for the correspondents. This, in some instances, is difficult, as the information required may be of a confidential nature, which is not very willingly made public.

CORRESPONDENCE.

During the same period eighty letters have been received and sixty-two despatched in connection with the service as Canadian Commercial Agent.

Of the letters received the larger part have been from Canadian manufacturers and exporters seeking a market in this territory, and these have either been answered direct or handed over to interested parties among the importers for reply.

The articles thus referred to by Canadian exporters have been the following: Marine engines, copper and aluminum wire and cable, malleable iron castings, electric and sheet steel specialties, iron bridges, agricultural implements, motor car trucks, flour mill machinery, lanterns, pumps, churns and washing machinery, grain, grinders, clothes wringers, safety razors, fog signal torpedoes, crude asbestos and fibres, corundum, emery and adamite wheels and grinding machinery, waxed parchment tissue and drug papers, certain kinds of lumber, handles and hardwood lumber, furniture, closet seats, etc., wheat flour, oats, barley, beans and peas, evaporated apples, pickled and canned salmon, corn brooms, hay, bifocal lenses for opticians, india-rubber footwear.

The following goods have been inquired for by Canadian importers: Wood wool, paper specialties, electric lamps and fixtures, chlorate of soda, nippers or scissors for gibbing herrings, sardines and other canned fish, veneer boards, water-proof, raw fusel oil, general merchandise.

Special information has been asked for by Canadian correspondents about the following matters: The utilization of bark from spruce and balsam, dehydrating process for fruits and vegetables, methods of manufacturing fish meal, machinery for making match splints, tin packages for export of codfish to warmer climates, storage, method for removing carbon from coal tar, method for spinning and weaving paper.

CANADIAN EXPORTS TO NORWAY.

There are as yet no statistics available on the total import to Norway from foreign countries during 1915, and as the imported goods are entered as coming from the country, where they are loaded for transport to Norway, it would be impossible under the circumstances to ascertain just how large the import from Canada has been. Especially is this the case during the war as shipments from Canada have to

go via some United States harbour, which has direct steamship connection with Norway through the Norwegian lines, since there is no direct line from Canada to Norway.

According to the statistics for 1914 the direct import to Norway from Canada was as below. It must be remembered, however, that this only refers to goods loaded onto steamers in Canadian harbours for direct transport.

Kinds of Goods.	Quantity.	Value.
Canned goods.. . . .	Lbs. 5,280	\$ 773
Pastries and soups.. . . .	" 1,850	1,120
Oatmeal, cut or flaked.. . . .	" 53,900	1,540
Wheat flour.. . . .	" 2,633,100	74,373
Horns, whale-bones, etc..	" 22,950	1,680
Steamers.. . . .	Reg. tons. 4,083	217,760
Other goods, not specified.. . . .	not quoted	2,240

TRADE IN NORWAY IN 1915.

The year 1915 has been an exceptional one for Norway as well as for other countries. There is hardly one industry or trade, which has worked normally independent of the war. Farming has suffered as difficulties were experienced in obtaining gluten fodder and fertilizers, but on the other hand extremely high prices were obtained for the products. In the fish and canned goods industry it has been difficult to procure packing material, and the whole industry has suffered for want of coals and raw materials. Navigation has also laboured under great difficulties such as seizing, sinkings, high wages, expensive coals and insurance premiums. The trade has also had difficulties to contend with, such as a shortage in the supply of many articles, the closing of the usual markets, transportation difficulties, etc. The money market has been very good, and, taken all around, considerable sums have been earned, making Norway much richer now than at the commencement of 1915. A number of new shipyards have been started, which are all busy with new building to supply the tonnage so much in demand.

The lumber market has been rather quiet as far as sawn and planed goods are concerned, but good prices have been obtained for what is sold to Holland and Australia. On the other hand round timber has been in brisk demand at very high prices in spite of the high freights. The prices on wood-pulp have been rising steadily throughout the year, and are now at the close of the year from 30 to 40 per cent higher than at the beginning; but on account of the high lumber prices and production expenses, the mills have not profited very much from the higher prices obtained. The grain and flour import has undergone an entire change as there are at present no supplies obtainable from the usual European sources. Larger quantities than ever are therefore now imported from America, of which Canada is also getting a good share.

SOUTH AFRICA.

REPORT OF TRADE COMMISSIONER.

(*Mr. W. J. Egan.*)

CAPE TOWN, November 25, 1915.

ANNUAL REVIEW.

The work of this office under review is for the twelve months ending October 31, 1915.

The correspondence this year is very much larger than usual on questions from Canada which necessitated personal investigation or further correspondence at this

end, so that complete and correct data should be placed before inquiring firms. This also brought much additional work in the compiling of address lists and statistical sheets. In addition to this work, our correspondence was increased owing to a decision to follow up all South African firms who had made trade inquiries in 1913 and 1914; the result of this special work was very interesting and will be dealt with in another paragraph of this report.

The following are the figures for letters sent and received during the past three years:—

	Sent.	Received.	Total.
1913..	*1,703.. . .	961..	2,664
1914..	*1,365.. . .	1,885..	3,250
1915..	1,216.. . .	*2,042..	3,258

*Owing to reorganization a considerable portion of these figures refer to an extra number of circular letters.

In the correspondence this year, there were many requests regarding the financial standing of South African firms, and a great number making inquiry regarding the standing of agents and commission houses. In every case detailed information was secured.

DISTRIBUTION OF DIRECTORIES AND REPORTS.

During the year the Export Directory of Canada, compiled by the Department of Trade and Commerce, and reports from this and other Canadian Government departments were distributed and are on file at the Chambers of Commerce, some libraries, clubs and newspaper offices. The Trade Index as published by the Canadian Manufacturers' Association, was also distributed as above and to many of the leading import firms.

INTERVIEWS.

There has been a fair increase of callers at the office seeking information of every kind, but in addition to this many up-country merchants or their buyers who visit Cape Town regularly, either because they are here on holidays, parliamentary business, or on their way to or from the British Isles, have been interviewed. The location of the office in Cape Town, under the existing conditions of trade in this country, is very helpful in keeping in touch with the actual and prospective purchasers from other centres.

TRADE PAPERS AND CATALOGUES..

The work in connection with trade papers and Canadian catalogues have been very active during the year. The trade papers are read in the office and loaned for week ends to callers from up-country, commission agents, and many of the buyers and departmental clerks of the importing houses. For some unaccountable reason many of the Canadian firms have neglected to renew their catalogues this past year, but a general correspondence in hand now gives promise that this will be remedied for next year.

PUBLICATION OF CANADIAN FACTS.

The policy of submitting certain data and figures of Canadian trade to South African journals has been continued, and these have been often published. The figures in connection with the supply of material to the war zone of Europe from Canada have been accepted and very often comments or editorials have been written, thus keeping Canada and its export possibilities before the South African public.

REPORTS TO THE DEPARTMENT.

Below will be found an outline of the reports sent from this office which were published in the *Weekly Bulletin*. There are also other reports of a general and confidential character which have been forwarded for the information of the Canadian Commercial Intelligence Service Branch of the Department:—

Weekly Bulletin No. 564	South African War Risks. South African Imports. South African Exports. Trade Returns for August, 1914. Tambuti Grass for Paper Making. German South West Africa. Shipments from Canada. Efforts required to capture South African market.
Weekly Bulletin No. 565	New Motor Fuel. South African Railways and Harbours. Capital and Mileage. Earnings and Expenditure. Freight and Mineral Traffic. Agricultural Machinery. Fencing Material. Fertilizers and Manures. Wool, Skins and Hides. Grain. Timber.
Weekly Bulletin No. 567	Mining Industry of South Africa. The Position of the Mining Industry. Importance of the Industry to the Country. Iron Industry. Revenue to South Africa from Mines. Purchases of Mines Stores Department.
Weekly Bulletin No. 572	Imports and Exports of South Africa. Church Furniture demand in South Africa. School Furniture demand in South Africa. Export of South African fruit and regulations governing same.
Weekly Bulletin No. 574	"Natalite," opinion of an expert.
Weekly Bulletin No. 575	Apple shipments from Canada. Canadian apples in South Africa. British Columbia apples. Eastern Canadian apples. South African apple market. South African trade. The Import Trade.
Weekly Bulletin No. 581	Commercial Travellers in South Africa. Information as to Licenses. Average Daily Expense. Knowledge of lines carried. Local Representatives. Contribution towards expenses. Resident agents in specified districts. Necessity for Organization. Representation of Machinery Manufacturers. Special Notice to Export Firms " <i>re</i> catalogues". Canadian agents or representatives.
Weekly Bulletin No. 583	South African Trade in 1914. Decrease in Imports. The clearing of Surplus Stocks. The decline in exports. Principal Commodities affected. Distribution of Imports by Countries. Imports from Canada. Customs Tariff Interpretations.

REPORTS TO THE DEPARTMENT.—*Continued.*

- Weekly Bulletin No. 586 Canadian Cargo Steam rs.
Market for Motor Tractors.
South African Tenders.
The submitting of Tenders.
Public Debt of South Africa.
South African Customs Duties Increase.
New Customs and Excise Duties.
- Weekly Bulletin No. 587 South African Budget.
Additional Taxation.
Other Expedients.
Summary of the Budget.
Revenue Estimates for 1915-16.
Loan Account.
New Railway Estimate.
Opportunity for supplying requirements.
Principal purchases for South African railways.
South African tariff changes.
Principal articles affected.
- Weekly Bulletin No. 588 Trade Shrinkages.
Trade on Paints and Varnish.
Kinds of Paints used.
Methods followed for selling Paints.
Box Shook demand in South Africa.
- Weekly Bulletin No. 589 Special demand for Box and Case Shooks.
- Weekly Bulletin No. 591 Demand for British Columbia Lumber.
Demand for Furniture, K.D.S.
- Weekly Bulletin No. 594 South African trade for 1914.
Total imports and countries of origin.
Shipping conditions.
Imports of food and drink.
Hardware and cutlery imports.
Railway material imports.
Imports of iron and steel.
Agricultural machinery imports.
Imports of machinery.
Imports of wood and timber.
Paper imports.
Imports of vehicles, paints and varnish, leather,
apparel, brushware, binder twine, cordage
and rape, caustic soda, calcium carbide, cot-
ton goods, electrical material, enamelware,
furniture, glass bottles, instruments and mis-
cellaneous articles.
- Weekly Bulletin No. 596 South African exports.
Imported goods re-exported.
South African Government purchases.
Cape Town Chamber of Commerce.
Detained cargoes.
Collection of statistics.
Trade of Damaraland.
Progressive agriculture in South Africa.
Durban Chamber of Commerce.
Johannesburg Chamber of Commerce.
Wholesale trade generally.
Mining material and machinery.
- Weekly Bulletin No. 600 South African imports.
General trade.
Forestry and railways in South Africa.
Prices of timber in South Africa.
Customs tariff interpretations.
- Weekly Bulletin No. 601 South African tenders for lead seals.
- Weekly Bulletin No. 604 The economic development of Belgian Congo.
The Budget of the Colony.
The special trade of the Belgian Congo.
The general trade of the Belgian Congo.
South African Port charges.

REPORTS TO THE DEPARTMENT.—*Concluded.*

Weekly Bulletin No. 604— <i>Con.</i>	South African produce trade reviewed. Increased demand for wool. Export of wool. South African skins. Ostrich feathers. Meat export. South African banking.
Weekly Bulletin No. 609	South African Imports. British countries trading with South Africa. Value of advertising. Imports from foreign countries. Imports from United States. Value of imports from all countries. Increased imports. Principal imports into South Africa. Care in making quotations. South African exports. Apples for South Africa. Butter imports. South African railways. Construction of new railways. Decreased earnings. Effect of the war. Purchase of supplies. Prices and costs. Value of shipments. Demand in South Africa for wheelbarrows.

SPECIAL REPORTS TO CANADIAN MANUFACTURERS.

Arising from trade inquiries of 1913-14, there were many demands from Canadian manufacturers regarding the possibilities of trade in their special lines, the terms of sale, cost, wholesale and retail prices, demand for samples and illustrations. The answers to these queries were really reports. The extent of this work shown in detail would take up too much space. An idea, however, of the work done will be indicated in the figures given under any particular commodity in the tables under various headings further on in this report.

SPECIAL WORK FOR 1915.

Before proceeding with a general review of the work done in the past year, I may state that as in 1913 and 1914 special efforts were directed towards educating the South African purchasers in the possibilities of supply from Canada; for 1915, the policy was to interest and secure reliable business-getting South African agents and commission houses in the representation of Canadian concerns. For several reasons, this was a very difficult task, as of course nearly all of the best agents and commission houses had already secured a range of agencies, but the real difficulty was that most of the firms had made attempts in the past to secure Canadian lines, and as a rule after a great deal of correspondence the result was nil, others had secured Canadian agencies and after doing considerable missionary work and starting business at big expense, they found as trade improved in Canada, that their Canadian firms were not desirous of further export business. Other Canadian firms had asked for particulars which had been supplied and never acknowledged. The canvass of the South African trade in 1913-14 however had its effect, as many agents and commission houses interviewed or corresponded with, informed me that the South African merchants and their buyers throughout the country had often referred them to this office regarding the securing of Canadian agencies, and they all suggested a particular interest in the possibilities of purchase from Canada and were anxious to secure quotations and see Canadian samples. In addition to this, there was evidence of extra activity on the

part of many American firms who had sent agents to South Africa for the first time. The query from South African merchants, "Why don't you secure Canadian agencies?" and the other conditions, all helped in securing an extra number of inquiries from well-established agents and commission houses.

The results attained from this work were 388 trade inquiries for 526 articles from 65 South African firms, 42 of these being agents or commission houses making demand for representation on 451 articles. The balance of the inquiries were from 23 South African merchants making inquiry for purchase on 75 articles.

WORK DONE AND RESULTS.

As we are not advised by all firms whom we help in the placing of their goods or their agencies, the exact figures cannot be given of goods placed for the first time or the progress made in other lines already sold, but the figures as shown in the following tables and the remarks under each should be interesting as the results shown are good and are expected to be better on next year's business if the ocean freight space is ample.

The following tables give a record of the work done in each article during the past year. In the remarks will be found particulars of progress in some lines:—

FOODSTUFFS.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Apples.....	1	1	2	18	39
Apples, evaporated.....	5	2		3	
Bacon and hams.....	2			2	
Butter.....	1		1	4	1
Biscuits.....	1	3			
Casings.....		1	1	5	3
Cider.....	1	2			2
Confectionery.....	2	10	1	4	1
Canned goods.....	14	16		23	1
Canned meats.....	4	1		4	
Canned salmon.....	8	4		15	
Cereal foods.....	6	2		9	
Cheese.....	10	2	1	12	1
Flour.....	7	4	4	12	10
Gin.....		1	1		1
Grocer sundries.....	2	2		5	
Milk condensed.....	2	7	4	22	4
Vinegar.....		1	1	7	4
Wafer goods.....	2	2		3	
Wheat.....	3			5	

Flour.—This is one of the lines from Canada which shows the value of representation, although the selling organization of some Canadian mills on this market could easily be improved. During the past year, four different flour mills have received special reports from this office, covering information about packing, statistics of imports, methods of selling, average monthly prices, names of foreign competitors. Two mills were given particulars about representation, one of which sent over a special agent who availed himself of this office and the mill is now represented in six different centres of South Africa and doing business in each centre.

Cheese.—This is an article which increased in exports from Canada during the year and, on suggestions made from this office, much more of these imports are made direct from Canada than formerly. Direct representation for some shipper or factories able to ship regularly each month would increase our exports and a little better price would be obtained than is secured on the English market in these or normal times.

Butter.—For the first time in some years, butter was imported direct from Canada; all of these shipments resulted from information given to the importers on this side. If Canada is prepared to continue this export, a good business can be done in regular monthly shipments. Representation would be necessary, which could be worked in connection with other produce lines.

Canned goods.—Representation in all districts of South Africa would have meant a big increase of these exports from Canada, as there was a big demand for certain lines of Canadian vegetables, fruit, and meats. In one district of South Africa, where some Canadian firms are represented, there has been a fair increase of trade, but this should have been more general.

Milk condensed.—Four special reports were sent to Canadian manufacturers covering information of kind used in South Africa, size of tins, packing, prices, how sold, duty, import conditions to meet, statistics of imports and other data. Some of these firms have decided not to try for this market, the others have not had time to decide. The Canadian exports have increased during the past year, but to only one district in any quantity. The remarks under "Canned goods," apply to this line, with only one firm shipping.

Chocolates.—One of Canada's leading chocolate firms is now represented and some orders have been placed. The United States makers have made great headway in the past year and it only requires the proper effort to make this a good line of export from Canada.

Apples.—Arrangements were made for a large increase in the export of fruit from Canada and a great deal of time was taken up in interviews regarding the purchase of Canadian apples. Unfortunately the cold storage at the disposal of the shipping company has not been large and the exports will be limited this season to the space which is given to Canadian fruit.

Casings.—The imports in casings from Canada have increased and one special report was made. An order was placed for the first time with a new source of supply in Canada.

IRON AND STEEL.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Axes.....	6	4		12	3
Axles.....	1	2	1	7	1
Beds, iron.....		1	1	9	5
Bolts and nuts.....	4	2	2	15	4
Brackets.....	1	2			1
Builders supplies.....	3	2		9	1
Chain.....	2	1	1	7	4
Enamelware.....	1			9	
Electric fixtures.....		1	2	8	5
Forges and forgings.....	2	1	1	11	16
Hardware.....	14	27	2	21	2
Hasps.....	1	2		3	
Hinges.....	1	2		3	
Horseshoes.....	1	2	2	8	2
Iron castings.....		1			3
Lanterns and lamps.....	4	1	1	9	5
Metal ceilings.....	1	1	1	5	1
Nails.....	6	2	2	22	8
Saws.....	2	1		2	
Shovels.....	12	7		6	3
Spikes.....	1				1
Stoves.....	7	29	3	27	24
Stoves, electric.....	2	3	3	12	11
Steel plates and angles.....	2	2	2	4	5
Steel structural work.....	2	2	2	6	5
Steel goods.....		1	1	8	2
Steel wheelbarrows.....	1			7	1
Scrap metal.....		1	1	2	1
Standards, fencing.....	6				
Railway supplies.....	3	6	2	6	12
Rails.....			1	5	4
Wire baling.....	2		1	4	4
Wire fencing.....	12	16	3	27	21
Zinc sheets.....		1	1	4	7

The above table under the heading of "Iron and Steel," is one which shows extremely good practical results this year and confirms the value of being represented. Many of these lines have been bought for the first time from Canada and other lines have increased. The lines purchased for the first time in Canada and on which repeat orders have been placed are bolts and nuts, enamelware, lanterns, nails, shovels and wire of several kinds, bar iron and steel bar. The other lines now represented and on which business is practically certain to come are stoves of all kinds, general hardware, and orders have been placed for the first time on baling wire, mattress wire, and mattresses.

There exists a favourable opportunity in South Africa for representation in the following lines for which there is a demand: Hardware, axes, axles, hasps, hinges, clasps, locks, forges, iron fence, standards and horseshoes. In this last line, one company is represented but samples have not as yet been submitted.

Some of the leading stove manufacturers of Canada are now represented and one firm has a full range of samples in all centres. Some of the municipalities are testing samples of Canadian electric stoves and the prospects are very fair for good reductions in the price of current for electric stoves and it is expected that this will create a good demand for the electric stove in this centre. Durban is the pioneer city of South Africa on electric cooking.

MACHINERY, GENERAL.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence
Machinery, general.....	8	4	5	13	11
“ fruit evaporating.....	1	3		2	
“ irrigation.....	1		2	3	4
“ lighting.....	1		1	1	1
“ sawing.....		2	1		1
“ electrical.....	1	8			
“ tin working.....	1	1	1	8	5
“ concrete.....		1	1	4	3
“ dredges.....		1	1	3	9
“ printing.....		1	1	4	1
“ flour mills.....		1			1
Belting.....	1				1
Boilers and radiators.....		1	1	11	8
Cranes and elevators.....		4		6	2
Engines.....		2	2	5	2
Engineers' supplies.....	3	2			2
Lathe chucks.....		1	1	4	6
Machine tools.....	3	2		5	
Machines, washing.....	4	6			1
Mining supplies.....	2	6		5	2
Mine cars.....	3	1	1	7	5
Packings.....	1	4			
Pumps.....		2	2	9	3
Wire rope.....	1	2	1	2	1

The past year has been a very active one in the demand for particulars from Canadian manufacturers. These firms have been supplied with information which will be useful in their endeavour to secure a portion of the trade of this market, large quantities of machinery of all kinds being imported annually. Electric and manufacturing machinery will be in great demand in South Africa and advantage should be taken by Canadian machinery producers to establish a name for Canada as a manufacturer of these commodities.

The imports of machinery for the nine months of this year are \$3,000,000 less than the same period of 1914. Of this import electric machinery accounts for more than a million dollars and mining machinery shows a drop of something over \$500,000. The total imports this year are \$6,940,000. Manufacturing machinery has increased by \$175,000, the total for the nine months of this year being \$1,295,000. The future imports of machinery into South Africa are likely to be very large and the only way of securing a share of this trade is by direct representation. Particulars regarding the necessary conditions of representation in South Africa will be found in Weekly Bulletin No. 581, page 606.

MACHINERY, AGRICULTURAL AND DAIRY.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Machinery, agricultural.....	3	17	1	8	15
Agricultural implements.....				8	4
Disc harrows.....				3	6
Ploughs.....	1			5	
Tractor engines.....	3		1	4	1
Corn machinery.....	1	1		2	2
Threshers.....	1			3	
Binders.....	1			3	
Binder twine.....	5			8	
Presses for lucerne.....	1			2	
Machinery, dairy.....	3	6		8	
Utensils, dairy.....	1	2		5	
Cream separators.....	1	2	1	12	11
Churns.....	4	5		7	

Machinery, Agricultural and Dairy: The imports under this heading have fallen off during the past year and there has been very little demand from Canada for information regarding this market. The supply of implements and machinery from Canadian houses who are established on this market, has been more active during the past two months. In dairy machinery, one new Canadian firm is now represented and some good business should result during the coming year. In tractor engines, threshers, binders and corn machinery, some progress has been made in representation, which, when arranged, will mean new business in these lines, and should bring good results in machinery adapted to corn production. The future for agricultural, dairy and farm machinery and implements of all kinds in South Africa appears to be good and the success of every firm which has made a real effort to secure a trade in this country should help to convince other Canadian manufacturers of the possibilities. The immediate future is the time to organize and get started in the placing of agencies for all farm machinery and implements. In many cases stocks of old lines are sold out and as the imports this year have been much less than usual, there will be a large demand. The conditions necessary in placing agencies in this country will be found in Weekly Bulletin No. 581.

Binder twine: Canada, for a number of years, made great headway in the exportation of this article, but owing to the effect of war conditions on the supply of raw material, the exports earlier in the season were limited, some good parcels were however shipped on the last two boats from Canada. The total imports up to October 1st of this year were \$90,000, some \$15,000 less than the same period of 1914.

WOOD AND MANUFACTURERS OF.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Aspen logs.....	1			10	36
Box shooks.....	8	39		28	11
Cornice mouldings.....	2	7		4	1
Caskets and coffins.....	1	4		2	1
Coat hangers.....	1	4			
Carriage and cart material.....	10	25	1	14	13
Doors and frames.....	4	9	2	10	6
Flooring and ceiling.....	2	10	2	9	4
Handles.....	12	23	2	17	22
Lumber, general.....	3	8	5	37	8
“ for furniture.....	1	2	1	5	5
Pails and drums.....	1	1	1	3	2
Pulleys, split-wood.....	1	2		5	5
Picture mouldings.....		1	1	7	4
Prepared board.....	1	5		6	
Pipe wood staves.....	1	4		2	2
Pine shelving.....	3	12	1	4	2
Railway ties.....		2	3	18	29
Stepladders.....	4	8	1	12	1
Spruce deals.....	5	14	1	8	4
Veneer—3 ply wood.....	2			5	2
Wood wool.....	1	3		2	
Wood-pulp.....		1			1
Woodenware.....	9	19	1	9	4
Yard sticks.....	1				

Lumber: For the first nine months of this year the total imports are a little more than one-half of the corresponding period of 1914, and while it is impossible to secure the figures of Canada's exports to this market for this period, it is safe to say that Canada has improved her position.

Much work has been done during the year on the various lines of lumber and the manufacture of same. New orders have been placed on Aspen wood which have turned out satisfactorily. Among other lines supplied from new sources of supply in Canada are box shooks, prepared boards, deals, carriage and cart material, woodenware and handles. Arrangements have been under way during the year for the placing of a trial order of railway ties.

Several firms are negotiating for representation which will help to increase our exports.

Another feature of work in this line during the year was the preparing of data, lists and arranging other details for the visit of the Special Timber Trade Commissioner, Mr. H. R. MacMillan, whose work is already bringing good results which auger

FURNITURE.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Chairs.....	10	12	2	9	2
Folding chairs.....	9	7		6	
Desk chairs.....	1	2		4	2
School furniture.....	1	3		3	2
Furniture, general.....	7	9	3	15	9
“ bed room suites.....	5	7		7	2
“ k. d. s.....	7	8		8	
“ church.....	2	5		3	4
“ office.....	3	10	1	4	1
Tables.....	7	8		5	
Bureaus.....	1	3		1	
Settees.....	1	2		2	
Hospital furniture.....		1	1	3	7
Steel furniture.....		1		2	1
Marble slabs.....	1	1		2	1
Bevelled mirrors.....	1	1		2	1
Refrigerators.....		2	2	9	2
“ steel.....		1	1	4	1

Furniture.—As will be seen by the above list, South African agents and dealers are very anxious to secure Canadian made furniture, and in a special way are making a demand for folding chairs, settees, cheap chairs, bentwood chairs and furniture in the white for shipment in the knock down state. Considerable correspondence is under way for some of these lines, and Canada continues to hold her trade on chairs and some kinds of office furniture.

Church and school furniture imports for the nine months of 1915, valued at \$90,000, are about one-third of the total for the same period of 1914. The trade under normal conditions is good, and there is a demand for representation of Canadian church and school furniture. Full particulars regarding representation, samples, packing, terms and other conditions required to secure this trade will be found in Weekly Bulletin No. 572.

Refrigerators.—Orders were placed in this line for the first time from Canada; some of these have been received and found satisfactory.

PAPER.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Paper, news.....	2	6		8	6
“ wrapping.....	5	6	1	7	3
“ bags.....	4	1	1	12	1
“ general.....	1	6		8	
“ specialties.....	1		1	8	4
“ envelopes.....	1	1	2	2	
“ carbon.....		1	1	4	4
“ rolls for adding machines.....		1	1	3	2
“ discs.....		1	1	7	1
Wall paper.....				2	1
Calendars.....	1	2	2	2	2
Printers and stationers' supplies.....	2	4			1
Tinfoil.....	1	1			

During the past year samples of paper required in South Africa and information as to sizes and packing have been forwarded to the Department at Ottawa, as well as to several manufacturers. In wrapping paper, a much larger trade would have been secured under better conditions of representation. In news print Canada is holding its own, but very keen competition has been experienced at times. Requests for samples and prices have been received from mills other than the regular shippers, and some orders have been placed.

In the supply of paper generally exports from Canada to this country should increase, as there is a constant demand for samples and quotations.

VEHICLES.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Carriages.....	2	2	1	8	1
Carts and wagons.....	2	2		3	
Hand carts.....	1				
Motor trucks.....				2	2
Electric lorries.....	1			1	1
Tramway fare boxes.....		1	1	1	1
Motor accessories.....		1	1	14	5

There is a slight improvement in the exports from Canada, some orders being placed in limited quantities for waggons and buggies.

In automobiles, the Canadian exports with other countries were practically stopped for several months, but for the past three months shipments have been coming forward in good quantities. One order was placed for motor accessories, this is the first shipment from Canada under this heading.

LEATHER AND MANUFACTURES OF.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Leather.....	5	3		3	2
Boots and shoes.....	4	6	2	14	4
Whips.....			0	4	

Leather: Some new orders were placed during the past year for Canadian leather, but so far the trade is limited.

Boots and shoes: Complete and detailed information has been sent to Canada regarding the possibilities of this market in South Africa. Four manufacturers are now represented and some business has been secured. If the conditions and requirements of this country are catered for, a large trade can be obtained in medium priced and better grade boots and shoes. Reference to Weekly Bulletin Nos. 542 and 566 will show details of value to prospective shippers.

Trunks and bags: One Canadian firm whose representative has just opened up business in South Africa has secured some small sample orders.

DRY GOODS.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Blankets.....		2	2	5	5
Canvas goods.....					1
Cottonade.....	2	1		3	
Denim.....	2	1		4	
Ducks for sails and tents.....	4	6	1	12	4
Gloves.....	2			4	
Hosiery.....	3		2	4	3
Hats.....			1	7	5
Knitted wool over-garments.....	1			3	
Ladas cloth.....	2	1		3	1
Overalls.....	1		1	6	1
Prints.....				4	1
Shirts.....	1		1	6	2
Underwear.....	3			8	2

Although a great deal of work has been covered under the above headings, there are as yet no great results. In piece goods there is practically no trade outside of tent and sail ducks. The war conditions have prevented a good trade in ready-mades. Some gloves, hosiery and underwear have been sold for the first time; these three lines are now sampled and if properly worked up, a fair trade will be secured.

CHEMICALS.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Patent medicines.....	2	10		4	
Chemicals.....			1	7	4
Drugs.....	1	2			
Caustic soda.....	1				
Calcium carbide.....	1			4	
Disinfectants.....	3		1	9	2
Lime sulphur.....	1			3	

In sundries for the drug stores trade, some small orders have been placed with one Canadian firm. The range of samples is very good and the values seem right. If properly demonstrated, good business should be secured. There is now another range of these goods in the country but they have only arrived. With these two ranges shown for the first time, the prospects are good for increased exports under this heading. A very good trade has developed in chemicals from Canada and although the shipper received all his information as to prospective purchasers, comparative prices, difficulties to be overcome, and direct information about a trouble with their parent concern in a foreign country, this office has not even received an acknowledgement of the report as submitted. It is satisfactory however, to report new exports under this heading from Canada.

MUSICAL INSTRUMENTS.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Organs.....	2	5	.....	4	2
Pianos.....	1	.....	3	10	13

Early in 1914, the details governing the conditions of sale in organs were gone into, and this year complete information has been given to three Canadian piano manufacturers regarding the possibilities of this market. Only one new firm is represented, and as these instruments are high-priced, their trade will be limited. For the firms prepared to manufacture the piano in demand, a large trade is assured.

MISCELLANEOUS.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Asbestos.....	.....	.....	.....	2	2
Advertising agency.....	1	2	.....	.....	3
Bedstead iron.....	.....	1	1	12	1
Bifocals.....	.....	1	1	4	1
Concrete reinforcements.....	.....	1	.....	2	3
Fly catchers.....	.....	1	1	10	2
Glass jars.....	1	.....	.....	.....	.....
Glass bottles.....	1	.....	.....	.....	.....
Incubators.....	1	.....	.....	.....	.....
Jute bags.....	.....	1	1	5	2
Jewelry.....	.....	1	1	6	3
Natalite.....	.....	12	.....	.....	17
Ostrich feathers.....	.....	2	.....	4	2
Plaster.....	.....	1	1	8	4
Rubber goods.....	1	1	1	8	3
Roofing.....	3	10	2	9	8
Shipbuilding.....	.....	1	1	4	16
Tar.....	2	1	1	7	2
Telegraph poles.....	.....	1	.....	4	5
Timber brokers.....	.....	1	4	10	6
Tenders.....	.....	.....	.....	.....	46
Window shades.....	.....	1	1	5	2

In addition to the subjects tabulated above, there has been a general correspondence on many other lines in which nothing definite resulted. Among these may be mentioned such lines as mica, sardines, clocks, linseed oil, South African Customs, etc.

REPRESENTATION.

	S. A. Trade Inquiries.	Canadian Inquirers.	Special Reports to Canadian Firms.	Interviews with South African Firms.	Amount of Corre- spondence.
Agents.....	115	212	21	137	37
Commission houses.....	25	124	12	35	18

The above table speaks for itself, and as a result of this special work, it is a great satisfaction and pleasure to report that there are forty-one more Canadian firms represented in South Africa on November 1st, of this year, than there were on November 1st, 1914. Some of these lines have only been introduced into South Africa within the past two months, and although Canada's exports in some special lines have decreased in large quantities, our total exports to South Africa for the ten months of the year are more than \$500,000 better than for the same period of last year. These figures show the value of representation in the field and the improvement will probably continue if the Canadian firms will persevere in their efforts to secure and hold this market, in which firms are so anxious to secure more of its American purchases from the Dominion of Canada. Particulars regarding conditions governing commercial travellers or arrangements with local agents and commission houses will be found in Weekly Bulletin No. 581.

NEW IMPORTS FROM CANADA.

In the tables and short reviews as shown in this report, mention is made, in some cases, of imports from new source of supply in Canada. It is a pleasure to submit the following list of goods sold by Canada to South Africa for the first time:—Bags and trunks, boots and shoes, leather splits, underwear, shirts, gloves, soap, perfumes, confectionery, chocolates, enamelware, lanterns, bolts and nuts, tubing, bar iron, steel bars, wire nails, cement coated nails, cut nails, garden rakes, hay forks, galvanized wire, wire baling, wire mattresses, sewing machines, paint, mattress wire, refrigerators. In addition to this list, it may be noted that other Canadian firms have shipped, for the first time, lumber, box shooks, handles, woodenware, flour, musical instruments, cheese, butter, casings, farm implements, dairy implements, fruit canning machinery and mining machinery.

RESULTS FROM TRADE INQUIRIES.

During the past year special efforts were made by interviews and correspondence to follow up the trade inquiries received during 1913-14. The answers and opinions of South African merchants were very interesting, and it may be worth while to quote extracts from a few of these:—

1. "I have had a reply from the firms you mention but they offer only to make to specification and I desire a firm already doing the trade. Evidently your reports are carefully watched by some of the American manufacturers as I have two or three communications which, I think, are to be traced only in this way."

2. "Have pleasure in advising you that the result of your notice in Weekly report, which you mention, has been extremely satisfactory and business will result at an early date."

3. In reference to your inquiry we beg to state we placed an order with one of the firms you mention; the prices were alright, but the goods we find do not compare favourably, as far as quality is concerned, with similar goods from another country."

4. "We have heard from some of the firms, we have not yet had any business transactions with the firms indicated by you. Business will be given to Canada if your firms will bring their goods more prominently before us by representation and samples of their goods, rather than lists only."

5. "Of the firms you mention, we have done business with one firm only. We have had communications from a number of the others, but either the goods they make are not suitable to our trade, or they have omitted entirely to send us quotations with their catalogues or price lists."

6. "With reference to the names of the Canadian producers which you were good enough to place us in communication, beg to advise that we are in communication with the three firms mentioned and we believe business will ensue."

7. "Two of the firms you mention have negotiated with us and we have placed some fair business with one of them. Most of the Canadian firms expect us to guess their values, we must have price lists, discounts and when possible samples. We will do business with Canada if they come after it in the right way."

The above few extracts from many such letters or interviews will show the value of the *Weekly Bulletin* if the Trade inquiries are followed up in an intelligent and business-like manner.

COMMISSION HOUSES IN CANADA.

From the time of my first trip through the Union of South Africa, it has been recommended very strongly in several reports, the necessity for the organization of Commission houses in Canada, with the result that during the past year, a request was received from a Canadian firm asking to be placed on our files as a firm prepared to go ahead along these lines. At this end, the interest of a firm was drawn to the possibilities of Canadian exports through a Canadian commission house, with the result that these two firms were brought together and an export commission house was established, which represents some of the best Canadian shippers, and good orders are being secured, although the organization is hardly complete as yet. There is room for other establishments of this kind where a large trade is at hand and only awaits up-to-date conditions of representation.

SOUTH AFRICAN BUSINESS VISITS TO CANADA.

During the past year, in discussing the possibilities of securing goods from Canada, several firms were prevailed upon to visit the Dominion. These visits have proved satisfactory as several agencies were arranged and in other cases goods were purchased for the first time: The prospects at present indicate that during the coming year there will be more visits made to Canada by South African buyers or established commission house representatives.

SOUTH AFRICAN TRADE.

The imports into South Africa for the years 1910 to 1914 inclusive, averaged in value \$170,000,000 a year. The figures of import for the last two years are much lower than the figures of 1913. Local trouble, such as strikes, drought and the ostrich feather slump, had its effect early in 1914, then came the war, rebellion in the country and in many districts severe drought during 1915. The farmers have lost heavily in some districts, and South Africa has temporarily lost its market for ostrich feathers and diamonds. On the other hand, the gold industry is working steadily, the production of gold being larger than ever. The diamond industry will start working again in January. The ostrich districts have made money on lucerne and the possibilities of the export meat trade are very good. Progress in the wool industry and hides and skins is satisfactory.

With very few exceptions, the productive energies and the commercial activities of the country have been little disturbed and it is a pleasure to report steady progress in the general trade during the past five months, with every prospect of its continuance.

From 1910, when the total exports from Canada to South Africa were valued at \$3,150,000, steady progress has been made. In 1911, the imports increased \$25,000 and in 1912 Canada exported \$135,000 more than 1910. In 1913, the total exports were \$4,270,000, almost a million dollars more than in 1912, and in 1914, the exports from Canada totalled \$4,910,000, again an increase, although the total imports were \$34,500,000 less than 1913. During 1915, our trade on a few special lines has dropped considerably, but the progress on many other lines, (some sold for the first time), is so general that for the first ten months of this year, our total exports on general merchandise were \$500,000 better than 1914 and this does not include a very large import of stores for the Union Government of South Africa from Canada.

With direct monthly cold storage steamers from Canada, and the demand in South Africa for Canadian goods, there should be such an effort on the part of Canadian manufacturers, producers and shippers that the total value of cargo shipped on these steamers to South Africa should be of only Canadian origin.

SUGGESTION TO CANADIAN MANUFACTURERS AND SHIPPERS.

There has been a slight improvement in explicit details in the inquiries received from Canadian manufacturers and shippers. If inquirers could only realize the value of these details in the first letter of inquiry, especially under present conditions of trade, they would forward specific information, such as F.O.B. Canadian port prices, illustrations or catalogues, style of packing, size and weight of cases and other details which would enable the purchaser to work out his landed costs. Firms desirous of representation should give particulars regarding commission allowed, samples and time of agency contract. With the above conditions in hand, an intelligent report regarding possibilities of trade can be returned at once, and experience proves that this method brings results in the shape of orders at once, while on the other hand, when these conditions are not submitted, it is impossible to interest either the purchaser or the agent and only a general report can be made to the inquirer.

When a demand for a quotation is received direct from the South African merchant or an order is placed direct for the first time, a manufacturer should not quote or invoice at a higher price than the same goods can be purchased from an American commission house, for, not only is it detrimental to future business, but the general export trade of Canada is hurt and the usefulness of the Trade Commissioner in promoting trade is affected, as in most cases this direct demand has come through the efforts of this office. The belief should be dissipated that the order had to come or that the buyers in South Africa do not know their business. It is to be remembered that this is one of the keenest markets in the world, with highly trained business men in charge who appreciate good business principles as well as value.

If at the request of a Canadian manufacturer this office is able to influence an open order from a South African merchant, asking that goods to the value of say two hundred dollars be shipped as a sample or trial lot, a thousand dollars worth should not be shipped and yet a satisfactory conclusion to the business be expected. Again the harm done is not to the individual firm, but to Canadian trade generally and to this office.

South Africa brings a very good market for many Canadian productions, the import tables published in the *Weekly Bulletin* from time to time should be carefully studied. These are compiled in such a way as to indicate at a glance what the manufacturers in other countries are exporting to South Africa, especially the United States manufacturers, who secure this trade in the only way it can be secured—by direct representation.

The South African merchants are anxious to meet Canadian representatives and to see Canadian samples, and one can only repeat the keynote to last year's review. "The manufacturer must be represented in the field if he expects to do business, and his value must be as good, if not better, than his foreign competitor."

COMMERCIAL INTELLIGENCE SERVICE.

Canadian Trade Commissioners and Commercial Agents should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogues should state whether prices are at factory point, f.o.b. at port of shipment, or which is preferable, c.i.f. at foreign port.

CANADIAN TRADE COMMISSIONERS.

Argentine Republic.

H. R. Poussette, Reconquista, No. 46, Buenos Aires. *Cable Address, Canadian.*

Australia.

D. H. Ross, Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

British West Indies.

E. H. S. Flood, Bridgetown, Barbados, agent also for the Bermudas and British Guiana. *Cable Address, Canadian.*

China.

J. W. Ross, 13 Nanking Road, Shanghai. *Cable Address, Cancoma.*

Cuba.

Acting Trade Commissioner, Lonja del Comercio, Apartado 1290, Havana. *Cable Address, Contracom.*

France.

Phillippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona.*

Japan.

G. B. Johnson, P.O. Box 109, Yokohama. *Cable Address, Canadian.*

Holland.

Acting Trade Commissioner, Zuidblaak, 26, Rotterdam. *Cable Address, Watermill.*

Newfoundland.

W. B. Nicholson, Bank of Montreal Building, Water street, St. John's. *Cable Address, Canadian.*

New Zealand.

W. A. Beddoe, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa.

W. J. Egan, Norwich Union Buildings, Cape Town. *Cable Address, Contracom.*

United Kingdom.

Acting Trade Commissioner, Sun Building, Clare street, Bristol. *Cable Address, Canadian.*

J. E. Ray, Central House, Birmingham. *Cable Address, Canadian.*

F. A. C. Bickerdike, Canada Chambers, 36 Spring Gardens, Manchester. *Cable Address, Contracom.*

J. Forsythe Smith, Fruit Trade Commissioner, North British Building, East Parade, Leeds. *Cable Address, Canadian.*

J. T. Lithgow, 87 Union street, Glasgow, Scotland. *Cable Address, Contracom.*

Harrison Watson, 73 Basinghall street, London, E. C., England. *Cable Address, Sleighing, London.*

SPECIAL TRADE COMMISSIONERS.

Lumber.

H. R. MacMillan, visiting Europe, Africa, Australasia and the Orient.

C. F. Just, Russia.

CANADIAN COMMERCIAL AGENTS.

British West Indies.

Edgar Tripp, Port of Spain, Trinidad.
Cable Address, Canadian.

R. H. Curry, Nassau, Bahamas.

South Africa.

D. M. McKibbin, Room 34, Permanent
Buildings, Harrison Street, Johannes-
burg.

E. J. Wilkinson, P.O. Box 673, Durban,
Natal.

Norway and Denmark.

C. E. Sontum, Grubbege No. 4, Christiania, Norway. *Cable Address, Sontums.*

CANADIAN HIGH COMMISSIONER'S OFFICE.

United Kingdom.

W. L. Griffith, Secretary, 17 Victoria street, London, S.W., England. *Cable Address, Dominion, London.*

ENLARGED CANADIAN TRADE INTELLIGENCE.

Under the arrangement made by the Minister of Trade and Commerce with Sir Edward Grey in July, 1912, the Department is able to present the following list of the more important British Consulates whose officers have been instructed by the Foreign Office to answer inquiries from and give information to Canadians who wish to consult them in reference to trade matters.

Brazil:

Bahia, British Consul.
Rio de Janeiro, British Consul General.

Chile:

Valparaiso, British Consul General.

China:

Harbin, British Consul.

Colombia:

Bagota, British Consul General.

Ecuador:

Quito, British Consul General.

Egypt:

Alexandria, British Consul General.

France:

Havre, British Consul General.
Marseilles, British Consul General.

India:

Calcutta, Director General of Commer-
cial Intelligence.

Italy:

Genoa, British Consul General.
Milan, British Consul.

Mexico:

Mexico, British Consul General.

Netherlands:

Amsterdam, British Consul.

Panama:

Colon, British Consul.
Panama, British Vice-Consul.

Peru:

Lima, British Vice-Consul.

Portugal:

Lisbon, British Consul.

Russia:

Moscow, British Consul General.
Petrograd, British Consul.
Vladivostock, British Consul.
Odessa, British Consul General.

Spain:

Barcelona, British Consul General.
Madrid, British Consul.

Sweden:

Stockholm, British Consul.

Switzerland:

Geneva, British Consul.

Uruguay:

Monte Video, British Vice-Consul.

Venezuela:

Caracas, British Vice-Consul.

PUBLICATIONS OF THE DEPARTMENT OF TRADE AND COMMERCE

Annual Report.

PART I.—CANADIAN TRADE. (*Price, 45 cents.*)Imports into and Exports from Canada.
(Itemized and General Statements.)PART II.—CANADIAN TRADE. (*Price, 15 cents.*)

1. With France.
2. With Germany.
3. With United Kingdom.
4. With United States.

PART III.—CANADIAN TRADE. (*Price, 20 cents.*)With British and Foreign Countries.
(Except France, Germany, United Kingdom and United States.)PART IV.—MISCELLANEOUS INFORMATION. (*Price, 5 cents.*)

Bounties.
 Commercial Intelligence Service.
 Gold and Silver Marking Act, Administration of.
 Lumber and Staple Products.
 Revenue and Expenditure of Department of Trade and Commerce.
 Statistical Record of the Progress of Canada.
 Tonnage tables.

PART V.—GRAIN STATISTICS. (*Price, 25 cents.*)PART VI.—SUBSIDIZED STEAMSHIP SERVICE. (*Price, 20 cents.*)PART VII.—TRADE OF BRITISH AND FOREIGN COUNTRIES. (*Price, 35 cents.*)

Monthly Reports.

Census and Statistics. (*Free.*)
 Trade and Commerce. (*Price, 20 cents.*)

Weekly Bulletin (*Free.*)

(*Circulated within Canada only.*)
 Containing Reports of Trade Commissioners and General Trade Information.

Miscellaneous Publications.

Canada Year Book. (*Price, \$1.00.*)
 Census Returns. (*Price of volumes varies.*)
 Criminal Statistics. (*Price, 25 cents.*)
 Foreign Importers, Director of. (*Free.*)
 Grain Inspection in Canada. (*Free.*)
 List of Licensed Elevators. (*Free.*)

